

Mike Ferrant

From: Daniel Foster <dfoster@gisu.org>
Sent: Friday, March 26, 2021 10:09 AM
To: Testimony
Subject: unfair hacking of the teachers retirement

Categories: Blue Category

My name is Dan Foster and I am a teacher at Grand Isle Elementary School. I am 48 years old and this is my 24th year of teaching... I have literally been teaching for half my life! The recent email I received from our buildings NEA Representative was very alarming and upsetting. The recommendations are to – *hike contribution rates, lowering retirement benefits, and eliminating cost-of-living adjustments for active teachers when they retire – put the entire burden of the system's issues on the backs of hard-working teachers.*"

I find this to be unfair and discriminating, singling out teachers/educators as other professions have not been asked to suffer the same loss! I already work in a district that is one of the lowest paying in the state, decreasing my retirement investments / pension benefits and asking me to contribute more funds 24 years into my profession would be catastrophic to myself and my family financially!

Requiring more contribution to my retirement/ pension in return for less benefits is unexceptable. I believe similar tactics have been used in the past with a promise of refunding the funds which to my knowledge has never been done! So I ask again, PLEASE do not allow our hard working teachers pensions and retirements to be gutted in an effort to save money. **This is a benefit that has been promised and paid for, if the promise is not going to be kept EVERY teacher should be refunded ALL of their money!**

Thank you for time and effort,
Daniel Foster

WARNING: This message may contain information that is confidential and/or protected under the **Family Education Rights and Privacy Act** or other lawfully recognized privilege. If you have received this message in error or through inappropriate means, please reply to this message to notify the Sender that the message was received by you in error, and then permanently delete this message from all storage media, without forwarding or retaining a copy.

Mike Ferrant

From: Harrington, Phillip <Phillip.Harrington@vermont.gov>
Sent: Friday, March 26, 2021 10:09 AM
To: Testimony
Subject: Retirement proposal public comment

As a SOV Employee and Union Member I fully support the following proposals to the retirement system: Cost of Living Adjustment (COLA), Average Final Compensation (AFC), Vesting Period, Maximum Benefit Payable and Base Employee Contribution.

What I find reprehensible are the proposed changes to Normal Retirement Eligibility. As a member of New Group F who has over a decade of service to the SOV I can't fathom having my entire retirement goals and plans thrown in the waste basket. **The 87 rule must stay!!**

This change should only occur to new employees who are aware of the system at time of hire, but to push for a change this monstrous with current employees is wrong.

Very Respectfully,

Phillip N. Harrington, P.E. | Resident Engineer
Vermont Agency of Transportation
189 Troy Ave | Colchester, VT 05446
802-793-1394

Vtrans.vermont.gov



Mike Ferrant

From: Allison Gingras, Special Educator <agingras@sbschools.net>
Sent: Friday, March 26, 2021 9:55 AM
To: Testimony
Subject: Pension testimony

Hello-

I am 11 years into my teaching career. I am invested here in Vermont. I want to be here for my whole career. The fact that you are not being an invested PARTNER makes me wonder if this is even a sustainable career. What is a world without educators? How can we expect generations after us to lead our state? I am appalled that not only has this been underfunded for year BUT now you are looking to get rid of this altogether... rather we should be looking at ways to KEEP PEOPLE in VERMONT.

Sincerely,
A very worried and tired educator

Allison Gingras M.Ed.
ISN Special Educator
Varsity Dance Team Head Coach

South Burlington High School
550 Dorset Street
South Burlington, VT 05403
802-851-0615 (Google Voice number during COVID-19 Phase II)
802-652-7012 (Office)

"It does not matter how smart you are, rather how you are smart."

--- This email may contain information protected under the Family Educational Rights and Privacy Act (FERPA) or the Health Insurance Portability and Accountability Act (HIPAA). If this email contains confidential and/or privileged health or student information and you are not entitled to access such information under FERPA or HIPAA, federal regulations require that you destroy this email without reviewing it and you may not forward it to anyone. If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, DC 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov. Revised by mandate of the USDA dated March 24th, 2014.

Pension Change Testimony – 3/29/2021

Hi, I'm Patrick Southern.

I live in East Montpelier and I am a software developer for the state. I built the Lead in School Drinking Water IT system and a bunch of other apps that help protect the water we drink. I like what I do, I feel good about my contribution and I want to keep doing it.

This job was the reason I recently I moved from another state to Vermont. And it was largely because it promised the opportunity to retire at age 56 with a solid pension.

Under the proposed changes you would be requiring me to work an additional 11 years. And you would be cutting the total benefit I receive by \$419,000, plus the lost COLA and AFC.

First off, I am not pleased with the rushed way you are considering breaking a promise of that magnitude. And second, it's really bad policy for Vermont. That's \$419,000 that I will not be able to spend in our community in my retirement. That's \$419,000 you are taking away from a young middle-class family that is currently trying to settle down in Vermont and contribute a lifetime to a vibrant local economy, school system, and sense of community.

So, I am requesting that, instead of these proposed changes, you protect my promised pension benefits as a contract, you raise or reallocate revenue towards the pensions, and you shift the burden off middle class families and to the wealthy that have made out like bandits during this pandemic. And that should be a no-brainer because it's a fantastic investment in our current and future economic and social health as a state.

And I do want to say that despite not looking for work, I regularly receive offers with the same job duties but making 2 or 3 times the salary at random companies in Massachusetts. I have so far turned them down because I like my job and I don't want to move. But I guess what I'm saying is, if you take 11 years and \$419,000 from me, then if anyone is looking for a good software developer, I'm available. Thank you.

Mike Ferrant

From: Christine Nold <cnold@sbschools.net>
Sent: Friday, March 26, 2021 9:51 AM
To: Testimony
Subject: Written Testimony - educator pension

Greetings,

I am writing to provide written testimony regarding educator pensions. You can access my testimony [HERE](#). I have also included it below.

Thank you for your consideration.

My name is Christie Nold. I am a resident of Essex Junction and a middle school teacher in the South Burlington School District.

As an educator, I have been asked to do many things. I have participated in countless "secure the school" drills. Quietly calming my students as we hover in a corner simulating the threat of a live shooter. I have stocked my classroom with snacks and menstrual products. I have asked friends and family to support my "Donors Choose" in order to build a classroom library, add a mic system to make my lessons more accessible, and bring in flexible seating. I have worked to try to become "trauma informed" in order to support the growing number of students who have experienced harm. I have audited my curriculum and continually engage in professional learning as I strive to become actively antiracist in my practice. I have worked with our social workers as we have raised money for jackets, grocery bills, and (in one case) a mattress for a student whose largest barrier to learning was difficulty sleeping without a bed.

This past year, I spent hours engaging in training and practice to figure out how to teach through zoom and create engaging asynchronous assignments for my half of students working from home while I was teaching their peers in the classroom through a hybrid model that has been incredibly exhausting. I've made home visits during a pandemic, celebrated birthdays through chalk on sidewalks and in driveways when we could no longer share snacks in person. I watched as our governor argued that schools were the safest places to be while colleagues went home sick following school spread. I have listened as the CDC has set out clear guidelines to stay healthy and government officials and community members offered that we should simply, "open anyway" when we did not have the necessary resources to do so. I've led zoom calls on days when I, and my students, would have previously been out enjoying a giant snow fall. I've heard people argue that "we" must focus on student mental health and wondered who are these "we" and where have they been when teachers have been advocating for this all along?

I have also, for each year I've taught, contributed to the pension fund.

Now, toward the end of our most exhausting year, I'm told that I should contribute more but expect less out of my pension. That I should "pay my share." Please, help me understand how you feel I have not, "paid my share." Help me understand how it is that you want more from us at this time.

On Tuesday, I saw Governor Scott post an image of his meeting with students over zoom and argue that "we need to do all we can." Once again, I'm asking who is your "we." There are those of us who have been doing

all we can, for years, for our students - we're asking for your support in joining these efforts. Please, fulfil the promise that you've made and commit to ensuring that educators across the state are provided the support we work so hard to offer others.

Christie Nold (she/her)

Verve Humanities

Frederick H. Tuttle Middle School

South Burlington, VT

--- This email may contain information protected under the Family Educational Rights and Privacy Act (FERPA) or the Health Insurance Portability and Accountability Act (HIPAA). If this email contains confidential and/or privileged health or student information and you are not entitled to access such information under FERPA or HIPAA, federal regulations require that you destroy this email without reviewing it and you may not forward it to anyone. If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, DC 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov. Revised by mandate of the USDA dated March 24th, 2014.

Hello,

I am writing with objection to the proposed pension changes. I am a young teacher, five years into my career. This profession is one that I feel deeply passionate about, but it is also one that is incredibly taxing, leads to frequent burn out, and often, career changes. I feel that burden constantly, and the benefits that come with this career, including the promise of a state pension, are motivating factors in maintaining this career choice and feeling valued for the hard work we do.

These changes would not only negatively impact me financially, but also extend my career by ten years. Even knowing that this is being proposed right now - on top of one of the most challenging years this profession has seen - has me considering a career change. You will absolutely lose high quality professionals if this proposal is implemented, and likely new talent as well. The impacts of this proposal are significant for educators, and erode trust in the system. What is to prevent further changes at educators' expense in the future?

Please show educators in this state more respect and appreciation by reconsidering the proposal. There are absolutely ways to address this issue without putting it onto the backs of the hardworking people who are upholding their commitment to this important work.

Sincerely,
Michelle Goldsmith

March 26, 2021

Senators and Representatives,

I am an Underhill, Vermont resident and have been a public school teacher for nearly 25 years. I want to make it clear that I am NOT writing on behalf of the NEA and this letter of concern is NOT just a laundry list of NEA talking points that I have been "told" to write. I am writing because I strongly oppose Treasurer Beth Pearce's recommendations for addressing the pension fund situation.

I understand that there is a problem with the pension fund, however this problem is NOT the fault of Vermont teachers. We have, at every turn, done everything we've been asked to do. In fact, the last time this pension was found to be short teachers responded by increasing our pay-in amount. Now, despite that, here we are again. It is a problem, but it's not a *teacher* problem; it's a Vermont government problem and ALL Vermonters need to work together to fix it. To lay this at the feet of educators is unconscionable. I truly appreciate the work of teachers – as so many politicians across the country and here in Vermont have been saying for the past year – your course of action is clear. And that course is to re-use to make us pay *more* money *now* for a *smaller* pension benefit *later*.

When I chose to become a teacher, it wasn't because I wanted to become rich. I wanted to try to make a difference in the world. This sounds cliché, but that IS why I became a teacher. When I started teaching in 1998, I remember my family saying, "Well, you'll never be rich but you'll have a pension and that will be a good foundation for being able to retire in reasonable comfort." Now that foundation is in question. This is not a time for legislators who support education to "compromise" or "meet in the middle" on Treasurer Pearce's recommendations. It is a time to actually stand up for educators and honor the contract that has already been agreed upon.

When I started teaching 25 years ago you and I were in a contractual agreement. I would work hard for all of our children and you would reward that work with a pension. For those 25 years, my wife and I have made countless financial decisions based on this contract. For Treasurer Pearce to now propose, at the 11th hour (as I am less than 10 years from retirement) to change the terms of that contract is outrageous.

I just don't see how any reasonable person could feel that Vermont's teachers should be the ones to (again) "fix" a problem for which the entire State of Vermont is responsible.

I hope that you will see how offensive Treasurer Pearce's proposed actions are and that you will seriously and aggressively consider other actions.

Respectfully,

Phil Surks
67 Sugar Hill Road
Underhill, VT 05489
(802) 324-4417
psurks@gmail.com

Mike Ferrant

From: Justin Kaulius <jkaulius@sbschools.net>
Sent: Friday, March 26, 2021 9:41 AM
To: Testimony
Subject: teacher pension

Hi, I'm a 42-year-old career teacher in Vermont. I feel like I work hard, make a positive difference in my community, and don't complain. Part of the deal, the agreement, that I feel I've made with the State is to work towards a pension. I never expected to get rich off of teaching, but I do expect to have a retirement that is safe. I do my own investing and saving, but I also factor in a pension to this equation. Changing my pension structure now would be a real slap in the face, to be honest. It would really diminish my positive feelings about this career of public service.

Please reconsider changing our pension structure now, in the middle of our careers. It really doesn't seem fair.

Justin Kaulius

--- This email may contain information protected under the Family Educational Rights and Privacy Act (FERPA) or the Health Insurance Portability and Accountability Act (HIPAA). If this email contains confidential and/or privileged health or student information and you are not entitled to access such information under FERPA or HIPAA, federal regulations require that you destroy this email without reviewing it and you may not forward it to anyone. If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, DC 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov. Revised by mandate of the USDA dated March 24th, 2014.

March 26, 2021

To Whom It May Concern,

What is more important than educating our young people and helping them to become informed and engaged citizens of the world? The work is hard and does not come with bonuses, overtime pay, or hazard pay. Compensation for teachers should reflect the value they carry. The message being sent with the potential changes to teacher pension is that it is not a high value job. We need the best and brightest to be incentivized to do this hard work and this is the opposite. Our kids deserve better. Our educators deserve better.

I am faced daily with supporting kids who have significant mental health challenges and food and housing insecurity, this year all in the context of a global pandemic and remote learning. The kids are not OK. Educators are exhausted and hanging on by a thread. In a time where support of educators should be increased, this is a slap in the face. Please fight for us. Please fight for our kids.

Sincerely,
Lindsey Hudson
South Burlington High School
School Counselor

To Whom it May Concern:

My name is Sara Meigs and I'm an 11th year educator who has worked as a math teacher at Milton High School for all 11 years of my career. I entered the field of education straight out of my undergraduate program at UVM. I am 33 years old and therefore am not considered to be a member of the group that the proposed changes to the public employee's pension fund will NOT affect. I am writing to testify as I feel strongly that many of the proposed changes will adversely affect me personally.

First I would like to give you a little background on why I chose to become an educator and what being an educator has meant in the past two years. I always knew that whatever I chose to do with my life had to be impactful for other people, my community and humanity as a whole. I also always was aware that whatever career I chose would become a part of me as a human. I would never have been satisfied doing a job that I 'clocked in' for and then at the end of the day left behind. I am a teacher no matter what time of day or year it is. I believe this statement to be true for all educators and even think this can generalize to all public sector employees. We all are trying to make a difference in the world and our jobs especially have been made even more challenging since the Covid Pandemic hit Vermont last March. Not only did our job descriptions change entirely, but we (teachers) were given exactly three work days (March 18th, 19th and 20th of 2020) to sort it all out. We've cleared hurdles in the past year that have involved sorting out issues with technology, juggling our home lives with a job that we have done partially from home and childcare issues all while our primary focus has been on the social/emotional wellbeing of Vermont youth. To say this undertaking has been challenging does not bear the appropriate amount of weight that any statement about this school year or the last should. This fact makes the timing of this proposal even more hurtful than it would have been in an 'ordinary' year and really sends the message that Public Employees in this state are essential but showing appreciation for their work and compensating them appropriately is neither a necessity nor even a consideration for the state of Vermont.

The way the proposed changes to the pension fund affect my life personally is drastic. First, I'm a member of the VSTRS C2 group and as such currently benefit from the 'rule of 90'. The rule of 90 is an incentive for educators who started their career in the field to work fewer than 35 years before they qualify for full retirement benefits. For me personally, the rule of 90 allows my full retirement age to be 56 and under the new proposal, if passed as written, that age jumps more than a decade to 67. This outrages me for multiple reasons. First, educator burnout is a phenomenon that really exists. It really exists in our country, it really exists in our state and it really exists in our school district as can be illustrated by the fact that two teachers have left my department in the last decade (both of which were under the age of 35) to pursue other careers unrelated to education. One of those teachers made it perfectly clear to me as a colleague and to the district through an exit interview, that educator burnout was a primary reason for this choice. If some people cannot even make it to their 40s as a fully functioning or even adequate educator, how can the state of Vermont expect anybody to make it to the age of 67 without some severe loss in ability to do our jobs adequately (not to mention well which is clearly what the goal is for educators).

Another reason this change to the age of full retirement outrages me is because I think of what I'm going to miss out on between the ages of 56 and 67. I have a 2 year old daughter currently who will be 25 years old at the time of my retirement (if I can retire at 56). This would likely mean that I can be a full time grandparent to any children she may have. This would likely mean that I could even take care of my wanderlust before she starts having children (dependent obviously on her own life choices). If I have to wait to retire until I am 67 years old (and assuming my daughter starts having children at the age I did), my oldest grandchild would already be 6 years old before I even have the opportunity to retire with full benefits. That thought is heartbreaking to say the least.

Yet another and very practical reason this proposed change to the pension fund is completely outrageous is the economic impact it will have on me. I ran some rough numbers (as a teacher of mathematics would) that illustrates what kind of impact this change in retirement age has. First, it is important to mention that I used a salary of \$70,000 to run these calculations and the numbers that follow assumes that that salary would stagnate for all future years of work. Clearly that is not practically the case but the only implication that this salary increasing in subsequent years has, is that it makes the economic impact I'm about to describe even MORE dire. Currently I pay 6% of my salary to the pension fund. Using a salary of \$70,000, that is \$4,200.00 each year. If I were to pay that into the fund for an additional 11 years (the difference between my current full retirement age under the rule of 90 and the proposed age of 67) that is an additional \$46,200.00 paid into the fund. This additional expenditure doesn't buy me anything under the proposed plan. In fact, if other aspects of this plan are approved (namely the increase in my contribution from 6% to 7.25%) then my contribution increases to \$5,057.00 each year. This amount multiplied by the 11 additional years I will have to work is \$55,825.00. The difference between the 6% and 7.25% for the other 23 years of my career (that would bring me to full retirement under the rule of 90) is an additional \$20,125.00. These numbers are disgusting and should give you pause. Especially considering, as previously stated, these increases in my contributions to the fund do not manifest in an increased benefit.

Any changes that move forward from this proposal are going to impact different members of the pension plan differently. I hope me illustrating the personal impact some of these changes could have on my life has enabled you to see how numbers and figures printed on paper have a real impact on the people of Vermont. Show appreciation to public sector employees by saying no to these proposed changes. If the pension plan needs revamping, then do it in a way that doesn't impact those who are already vested in the pension. The plan as proposed is unfair and unacceptable. Thank you for your time and consideration.

-Sara Meigs

Mike Ferrant

From: Karen Steever <ksteever@gmail.com>
Sent: Friday, March 26, 2021 9:27 AM
To: Testimony; Jill Krowinski
Subject: pensions

To the House Committee on Government Operations and Speaker Krowinski,

I am a Vermont public school teacher. Before I was a teacher, I was a constant parent volunteer in my children's local public schools. I have given countless hours of my time, sweat, tears, and energy to bettering the lives of Vermont's students. I have always paid my fair share into the pension fund, and I expect to continue to pay my fair share throughout my school career. But to balance this pension mismanagement, something that is the sole responsibility of the state of Vermont, on the backs of teachers is unconscionable. Why not ask the wealthiest among us to also pay their fair share? Why not consider other sources of revenue, such as a taxed and regulated cannabis market? How many cuts must teachers endure before we throw our hands up and walk out? How much must you squeeze us before we stand up and say, "Enough!" Show your commitment to public education and to the students and teachers of Vermont. Find another way to fix the pension problem. Asking teachers to give up more years and more money is unfair and morally wrong.

Signed,

Karen Steever
she/her/hers
BRSU employee

3/25/2021

Greetings,

My name is Bob Metz and I live in Williston. I've been a teacher for 21 years with the vast majority of that time spent here in my home state of Vermont. I entered into this profession with eyes wide open, knowing there was a compensation package that included a pension, and a commitment from you all to secure it despite not funding it. For years and years you and your colleagues, both past and present, all chose not to fund the pension. Some sort of change is certainly needed, there's no doubt about it. But to ignore it for years like you did, spend the money elsewhere, and then propose drastic changes like you are, is just unbelievable.

We need to fix this system, it's broken. You've known that and did nothing for almost twenty years. Meanwhile, we all continued to teach and do our job while contributing our share. Now, in a time of pandemic, when we all have been asked to do more than we normally would or can, teachers collectively answered the call. We accepted the reluctant inclusion in vaccination plans well after it should have been done. We have done our part time and time again. This moment, when there's finally hope of a return to normalcy, this is when you decide to add to our future burden without anyone at the table representing us.

So be it. You're legislators and have therefore done your job by addressing it. I sincerely thank you for taking up the issue. But the length to which you've gone exceeds my willingness to compromise. The necessary changes to create a fiscally sound system are overdue. But just like it was ignored for years, perhaps it could also be implemented over a timeframe that is more deliberate and less impactful in the immediate sense with an eye towards shared obligations. The federal dollars do not count in this affair and I would hope that is not the claim made in regards to sharing the burden. There is a common ground that can allow for reasonable and incremental change that reflects careful consideration by representatives of all interested parties. This current plan, which shifts the entirety of the burden onto teachers, is certainly not it.

Respectfully,

Bob Metz

Testimony for *Initial Pension Proposal*

Thank you for providing an opportunity to comment on the proposed changes to the Pension Plans as presented March 24, 2021.

As a VTrans employee with 20 years of service, my initial thought reading these proposed changes are that they are incredibly inequitable when considering those that have been protected from any contribution to resolving the funding shortfalls. Whoever put these proposed changes together is clearly trying to protect those within 5 years of retirement eligibility and those already retired, likely themselves or immediate family members. I get it, those people don't have as much time to adjust career choices etc. However, the inequity in the proposal is wholly unfair. This proposal places all the burden on roughly $\frac{1}{2}$ to $\frac{2}{3}$ of the working employee population and holds harmless the others nearing retirement. **ALL** employees need to have 'skin in the game' to fairly share the burden. Additionally, a reduction to the COLA of retirees as a contributing factor should be included.

With regard to specific details of the proposal, paying a slightly larger percentage of gross earnings to help make the system solvent is an unfortunate reality that is tenable. What is not acceptable is employing people under the guise of a 30-year career (I am an original group F member) as a public servant making roughly 25-50% less than the wages of private sector engineers, in my situation, and then 20 years into a career changing the rules and making them work an addition 12 years to age 67; and receive less when retiring. That is not acceptable. I choose State Employment for the benefits that come working for the State knowing that my choice meant lower wages throughout my career but that 30 years of service led to a reasonable retirement.

Additionally, unfortunately for the taxpayers of the State, they have hired Legislators who have miserably failed over decades to fund the retirement obligations to their public servants. Spreading the burden to all taxpayers of the State is something that needs to happen at a larger portion than what is proposed.

This proposal should not be considered a starting point for negotiations, it is so far from being equitable that there isn't a fair compromise that can be reached from it. Please consider disregarding this proposal in its entirety and come up with a proposal that equally spreads the burden to all employees, past present and future as well as broadly to the taxpayers to make this situation tenable.

Thank you for considering this testimony.

Regards,

Douglas E Bonneau, PE

Mike Ferrant

From: Jeremy Grenon <jgrenon@gisu.org>
Sent: Friday, March 26, 2021 8:46 AM
To: Testimony
Subject: Teacher Pensions

Hi my name is Jeremy,

I'm writing this to express my concerns about proposed changes to the Vt teacher's pension plan. As it stands, we are a state with some of the lowest salaries in teaching and highest costs of living. More specifically, we are ranked one of the least affordable places to retire.

These proposed cuts show a lack of priority in the future of educating our children and public education generally. As a native Vermonter I have always been proud of the high priority placed on providing the highest quality public education possible.

These proposed changes to teacher pension plans will only discourage the choice of prospective teachers to seek positions in our state. Across the lake in New York, pension plans are secure and not subject to the shortcomings of mismanagement on the part of the state government.

Additionally, the idea that teachers will need to wait until age 67 to receive full pension (of which is now being reduced) will result in teachers remaining in their positions for much longer since they will not be able to afford to retire. This means higher costs on school districts to employ teachers until they reach a much higher salary. To this point, it will also potentially cause teachers that may be "burned out" and not enthusiastic about continuing to teach to remain employed because they cannot afford to retire on the proposed pension benefit now being discussed.

Overall, the legislator is sending a clear message to all of Vermont...providing a quality education is no longer a priority of the legislature (state government). They are reducing incentives to have the best and most qualified teachers employed in Vermont public schools.

Thank you for taking the time to read my thoughts on this.

--

Jeremy Grenon
Grand Isle Supervisory Union
Special Educator
Email: jgrenon@gisu.org
Ph#: 802-372-6913 Ext: 5119

WARNING: This message may contain information that is confidential and/or protected under the **Family Education Rights and Privacy Act** or other lawfully recognized privilege. If you have received this message in error or through inappropriate means, please reply to this message to notify the Sender that the message was received by you in error, and then permanently delete this message from all storage media, without forwarding or retaining a copy.

Mike Ferrant

From: Lori Dow-Moore <ldowmoore@sbschools.net>
Sent: Friday, March 26, 2021 8:37 AM
To: Testimony; George Till
Subject: Teachers Deserve Better! New Retirement Proposal is Appalling!

March 26, 2021

My name is Lori Dow-Moore and I have been a public school teacher for the past 41 years. My position is a full time World Language Teacher at South Burlington High School since 1989.

I am **appalled** by the proposal made that will affect my teacher retirement benefits. Do NOT eliminate the Rule of 90! This change would negatively impact many of my colleagues and myself who are considering retirement in the near future.

The current state proposal translates to "Work longer, pay more in contributions, get less! This is outrageous!!! Our teachers deserve better!

Teaching is an extremely difficult profession. Changing our retirement benefits just adds salt to our wounds. Additionally, future educators will be inclined to pursue another profession. We are already seeing the decline in prospective teachers as positions are very difficult to fill. Are you ready to deal with an imminent teacher shortage?

It is imperative that you treat our educators fairly. Do not take away what we have worked so hard and for long to earn.

Vermont teachers stand united!

Thank you,
Lori Dow-Moore
World Language Dept.
South Burlington High School

--- This email may contain information protected under the Family Educational Rights and Privacy Act (FERPA) or the Health Insurance Portability and Accountability Act (HIPAA). If this email contains confidential and/or privileged health or student information and you are not entitled to access such information under FERPA or HIPAA, federal regulations require that you destroy this email without reviewing it and you may not forward it to anyone. If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, DC 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov. Revised by mandate of the USDA dated March 24th, 2014.

Mike Ferrant

From: Dorothy Sacca <dsacca@gisu.org>
Sent: Friday, March 26, 2021 8:36 AM
To: Testimony

 **Stop the Change in Pensions for Teachers**

WARNING: This message may contain information that is confidential and/or protected under the **Family Education Rights and Privacy Act** or other lawfully recognized privilege. If you have received this message in error or through inappropriate means, please reply to this message to notify the Sender that the message was received by you in error, and then permanently delete this message from all storage media, without forwarding or retaining a copy.

Hello, my name is Susan Rosato and I am the 2021 Vermont State Teacher of the Year. I have been an ELL teacher for 21 years and a Vermont teacher for 17. I am currently a proud Laker at Colchester High School.

You might be wondering why I put myself forward and threw my hat in the ring for Vermont State Teacher of the Year during a pandemic. I did it because I have witnessed my colleagues and my administrators putting a 120% into making sure our children are safe, educated and most importantly, loved. I wanted to reflect on the good work that I had done so that I could re-energize myself for the work that lay ahead. I actually never imagined that I would receive the honor.

You see, as teachers, we make a promise to our communities to provide a top notch education for our children that goes beyond simply learning content. Well, the pandemic has shown us and our students what we are made of. We are strong, innovative and the first people to say, what can I do, how can I help. We are givers.

So it doesn't surprise me that we are being asked to give, yet again. The state made a promise to us. We believed that if we poured our heart and soul into providing a safe, rigours and loving environment for Vermont's young people then the state would keep its promise to fully fund our pension. I believed that my legislators and community would honor my work. The draconian measures put forward to solve a problem created by government officials is demoralizing to the profession. How do you expect to attract talented young people into the profession?

Teachers have lived up to our end of the bargain. We have contributed more than money into keeping the promises we made to our communities and to our state. It's time for the state to hold up its end of the bargain. The current proposal is even more damaging than what Beth Pearce put forward.

We trusted our legislators and governors to do their jobs. After all, we've been doing ours. Instead, money that should have been invested in our pension was spent elsewhere. I guess it's not a great campaign message, "hey, I funded the teachers' retirement." Our legislators decided that other priorities were more important.

My question is why now? Why during a pandemic are you going to kick us when we are down? Why aren't other solutions being considered? This feels like death from a thousand cuts... literally. Teachers have made concessions in good faith. The current proposal asks the people who have already done their part to go ahead and do the whole project.

I implore our state officials to dig in and show us what they are made of. It's easy to change the rules in the middle of the game. Instead, I challenge you to roll up your sleeves and figure out a solution that doesn't break the promises made to our educators. Show us what you value. Show us that we are valued.

Dear Senators and Representatives,

I am writing to you today to ask you to reject the proposal to the changes in pension structures for VSERS and VSTRS. I strongly believe that these changes are unfair to the employees and could be a detriment to the quality of the workforce.

I see these changes as akin to changing someone's mortgage terms 5 years into the payoff, with the borrower having paid all payments ontime, per the agreement. Then the lender decides that they want to raise the monthly payment, extend the period that payments must be made, and will devalue the house at the end of the mortgage. This goes against all principles in fair business.

Several years ago, I learned that I would have to raise my payments by a percentage point because I was two months short of the period that would allow me to stay at 5%. This meant that for most of my career, I would lose at least \$800 a year. This new proposal wants to strip another \$1000 per year at current salary. And then at the end of my service to the youth and state of Vermont, I'll get less back in return.

Especially through this pandemic, I think more people are realizing everything that teachers are really being asked to do. We are not just teaching content anymore. We are expected to be masters in Social Emotional Learning. We are managing more and more needs from the students and the families. We are working harder than ever to adapt to changing systems and cultures and needs. And yet we are consistently being asked to do it for less. We are struggling to maintain our levels of health care and contain costs there. We are asked to change our agreement on retirement, losing money each year, and then getting less back at the end. We have seen what happens when schools close and teachers don't do what we do. It is not good for the economy and the workforce. We are vital to the state economy, and yet we are asked to keep doing it for less, not more.

I strongly believe that with these proposals you will see teachers consider moving out of state. We can't keep absorbing these contractual blows. We agreed to terms, we made our payments, and because someone else mismanaged the funds and budgets, we are being asked to fix that too. We can't keep doing more for less, that's not how a healthy economy works.

With all these reasons, I ask (beg) you to reject the proposal before you. Teacher morale is already declining, don't take this from us too. It really is unfair business practice. Thank you for your time and for voting against these proposed changes to the retirement systems.

Sincerely,
David Carter
Center for Technology, Essex

Mike Ferrant

From: Tracy Pearson <tpearson@gisu.org>
Sent: Friday, March 26, 2021 8:19 AM
To: Testimony
Subject: Pension

Good day,

I am against the incredibly damaging pension plan as a teacher who has taught in good faith for almost 25 years.

I imagine you are hearing many reasons why this plan is unacceptable to teachers and state workers who through no fault of their own are finding their retirements threatened.

Have you thought of the bottleneck that forcing people to teach until the age of 67 creates? Teachers with more years are making larger salaries (rightfully so) and can create stress on school budgets. Teachers will not be able to take buyouts to reduce salary levels. Teachers graduating from state colleges and universities will be unable to find positions in state.

I urge you to work with state leaders and state workers to come up with a respectful plan to fund the retirements.

Tracy Pearson
Grand Isle School

WARNING: This message may contain information that is confidential and/or protected under the **Family Education Rights and Privacy Act** or other lawfully recognized privilege. If you have received this message in error or through inappropriate means, please reply to this message to notify the Sender that the message was received by you in error, and then permanently delete this message from all storage media, without forwarding or retaining a copy.

To Whomever is Not Concerned:

If our pensions are diminished or leveraged in any way whatsoever, I am leaving Vermont state. I have been a well-loved teacher for 12 years in Manchester, and Mentor of the Year two years ago. I live here alone, no family. After year 15, the minimum I need to access full retirement in the future, and after my Federal Loan Forgiveness, I will leave here. I am sacrificing my life- we pay for things with years of our lives - and my secure, healthy, happy future is what motivates me. Teaching is an investment in one's future, while we work painstakingly to build the futures for these communities. How dare you even entertain the idea of using or manipulating teacher pensions, which already pale in comparison to NY, for example?! This is among the lowest of the low. *Among other severe problems and risks involved, this would add an entire decade on to the end of my career, after working tirelessly full-time in this system since I was 24 years old. Absolutely not.*

Extremely concerned, disappointed, and saddened,

Kasia Sosnow

ksosnow@brsu.org

PO Box 654

Manchester Center , Vermont 05255

Subject:
Pension Protection vs Pension Manipulation

Hello,

I recently learned how insolvent the pension system is.

I would like to address the issue of recent information regarding recommended changes to our pensions. I am shocked that the State did not contribute to the teacher's retirement system for several years. This negatively effects all State retirement systems, as the money is invested in a pooled account. This feels like the money was stolen from employees, especially after the most recent proposals asking employees to pay for this. This is a break of contract.

I feel like the recent proposals and recommendation to change our benefits would adversely affect the State. This is already encouraging folks to leave State employment, creates a break in contract with existing employees, discourages possible new hires to mistrust the pension benefit, establishes a feeling of mistrust, and frankly seems illegal.

Please strive to create another solution to keep our pensions protected, so we can count on our retirement system.

Could a specific, temporary tax of the wealthiest individuals and/or businesses in Vermont be created to fund this deficit?

Thank-you,

Kay Hopper, EIT | Civil Engineer
Highway Division | Asset Management Bureau
Bridge Deterioration Analysis and Bridge Management System
Suite 201 @ Barre City Place
219 North Main Street | Barre, VT 05641
716-885-3418 home cell: talk, text
802-371-9365 work cell: talk, text, voicemail, e-mail
Kay.Hopper@vermont.gov



Additional Reference Information is below.

This email includes an attachment named, Pension Protection vs Pension Manipulation, discussing my concern over the attempts being made to manipulate the pension benefits.

Any change to our benefits is break in contract.

See the attachment named, ten-warning-signs-that-your-401k-contributions-are-being-misused, created by the DOL.

Below is the link to recent supreme court cases concerning pension or erisa:

[https://www.law.cornell.edu/search/site/pension+or+erisa?f\[0\]=bundle%3Asupct_node&retain-filters=1&query=pension+or+erisa](https://www.law.cornell.edu/search/site/pension+or+erisa?f[0]=bundle%3Asupct_node&retain-filters=1&query=pension+or+erisa)

Quote from Cornell Law School:

<https://www.law.cornell.edu/supct/cert/14-181>

“The termination of plans is also extensively regulated.”

“Pensions are governed primarily by federal statutory law. Congress passed the Employee Retirement Income Security Act (ERISA) under its Constitutional mandate to regulate interstate commerce. See U.S. Constitution, Art. I, § 8. The act was passed in response to the mismanagement of funds in direct benefit plans.”

“ERISA preempts state laws that direct the amount, type, or nature of benefits paid to beneficiaries; regulate the structure of the plan; or otherwise interfere with the relationship between the plan and its members.”

“Congress’s central concern in enacting ERISA’s preemption clause was ensuring that plans could operate nationally, efficiently, and for the benefit of employees and beneficiaries without the burden and expense of complying with multiple, potentially conflicting state law requirements.” Liberty Mutual contends that Vermont’s law is burdensome, governing the content, timing, and coding of plan reporting, and undercuts one of the core functions of ERISA.”

“Vermont’s reporting requirements conflict with Congress’ intent to create a uniform federal reporting regime for benefit plans, and thus constitute precisely the kind of state law that Congress intended ERISA to preempt.”

“ERISA is a Federal law that is designed to protect the rights of millions of American workers and beneficiaries in private-sector pension plans, group health plans, and certain other employee benefit plans.”

Below is more information regarding ERISA:

<https://www.dol.gov/general/topic/retirement/erisa>

“The Employee Retirement Income Security Act of 1974 (ERISA) is a federal law that sets minimum standards for most voluntarily established retirement and health plans in private industry to provide protection for individuals in these plans.”

“ERISA requires plans to provide participants with plan information including important information about plan features and funding; sets minimum standards for participation, vesting, benefit accrual and funding; provides fiduciary responsibilities for those who manage and control plan assets; requires plans to establish a grievance and appeals process for participants to get benefits from their plans; gives participants the right to sue for benefits and breaches of fiduciary duty; and, if a defined benefit plan is terminated, guarantees payment of certain benefits through a federally chartered corporation, known as the Pension Benefit Guaranty Corporation (PBGC).”

“In general, ERISA does not cover plans established or maintained by governmental entities, churches for their employees, or plans which are maintained solely to comply with applicable workers compensation, unemployment or disability laws. ERISA also does not cover plans maintained outside the United States primarily for the benefit of nonresident aliens or unfunded excess benefit plans.”

Web Pages on This Topic

Compliance Assistance - Provides publications and other materials to assist employers and employee benefit plan practitioners in understanding and

complying with the requirements of ERISA as it applies to the administration of employee pension and welfare benefit plans.

Consumer Information on Retirement Plans - Provides fact sheets, booklets, and other retirement plan information from the Department's Employee Benefits Security Administration (EBSA)."

The types of retirement plans and their protection:

<https://www.dol.gov/general/topic/retirement/typesofplans>

"The benefits in most traditional defined benefit plans are protected, within certain limitations, by federal insurance provided through the Pension Benefit Guaranty Corporation (PBGC)."

Comments on Pension Governance Proposal presented in House Gov Ops 3/25/21

Hello, I read the proposal and watched the committee hearings from this morning and wanted to voice my agreement with several parts of the proposal and suggest a few other simple changes.

- * Leave the basics of the VPIC structure as is, since it is working better now, and any changes to this structure will not yield immediate financial benefits anyway.

- * Add 2 more employee members with voting rights. Include representation from the judiciary and troopers on a fixed or periodic basis so the smaller groups of the 5 are represented at least part of the time.

- * Add 1 member with voting rights with some sort of relevant professional experience outside government in investment, auditing, mathematical modeling, planning, human resources, etc.

- * If the size of the board is increased, adjust the terms as needed so there is good overlap between prior and newer members in case people rotate off the board, and to provide a diversity of wisdom and fresh perspectives.

- * Create statutory requirements for disclosure of financial assets by board members to provide transparency and prevent loss in confidence in the board due to conflicts of interest.

- * Require VPIC to create minimum orientation and continuing education requirements for members and provisions for removal of members (due to poor attendance, lack of continuing education participation, new conflicts of interest, etc.).

- * Conduct experience studies at least every 3 years.

- * Add statutory requirements for annual reporting to the legislature by VPIC in cooperation with the Treasurer's office. Include gathering of any relevant information that state agencies (Human Resources, ACCD, Health, etc.) may already be collecting for other purposes that gives insights into changing demographics, personal financial planning, and economic trends in the state. This should be considered both for state employees and for Vermonters in general since employees make decisions based on their family members too.

Thank you,
Amy Galford
Barre City resident and state employee
Submitted 3/25/2021 by email

The pension announcement left me sad and disappointed. I love Vermont and I love teaching here. My wife and I are both teachers. We have a two year old son and are expecting another baby in September. We are fortunate to own our home and have wonderful neighbors. This is where we want to raise our family and work.

The proposal suggested by you and your colleagues tosses away that plan. It would be economically responsible for us to leave this state as quickly as possible and re-start our careers in any other New England location. With the retirement age pushed to 67 in Vermont, we would still retire sooner elsewhere.

Finances aside, being 66 and teaching kindergarten rarely works. I trust you had a teacher who brought energy to your classroom and made learning a joy. Most of my colleagues who retire do so because they can no longer muster the required energy of engaging a room full of kids. That should be the mark when a teacher must exit the classroom, not the age that coincides with social security. Gaining new teachers is important to a school. It helps keep everyone fresh and up to date with changes in education. Locking a teacher in until the age of 67 would make students suffer.

Another issue is if the retirement age shifts now, what will prevent it from changing in ten years? Our contributions may continually increase for an end date that keeps moving farther away. The trust and faith currently placed in our pension system will be erased.

Please work to find a solution that does not devastate Vermont education.

Sincerely,

Scott Davenport

Mike Ferrant

From: Jerry Firkey <jerryfirkey40@gmail.com>
Sent: Thursday, March 25, 2021 9:13 PM
To: Testimony
Subject: Public Employee Pension System

As a municipal employee receiving pension benefits through VMERS I support any reasonable efforts to shore up the fund for decades to come. Without this guaranteed benefit times would be tough. Thanks fir listening. Jerry Firkey, Essex Junction, VT 05452

Sent from my iPhone

Mike Ferrant

From: Brenda Hartshorn <bhartshorn@huusd.org>
Sent: Thursday, March 25, 2021 9:10 PM
To: Jeremy Hill
Cc: Testimony; MES-Staff; WRN-Staff; FES-Staff; WES-Staff
Subject: Re: VT State Employee Pension Discussion

FABULOUS letter, Jeremy.

Thank you!

I will craft one this weekend.

I also am writing letters re: standardized testing to be banned this year due to Covid to all parties involved in the decision-making process.

Brenda

On Thu, Mar 25, 2021 at 1:05 PM Jeremy Hill <jhill@huusd.org> wrote:

To the Esteemed Members of our VT Legislature,

It is with great regret that we find ourselves in the position of needing to consider invalidating the retirement agreement that so many VT employees entered into at the beginning of their careers in the service of this great state due to state level decisions to make imprudent, high risk investments with state workers' money over the last decade.

As a result of these imprudent financial decisions, VT workers are being asked to reconsider their career decisions, their retirement plans, and their life choices. As a teacher who has served the children of VT for 17 years, I entered into this work agreement knowing that I would retire under the "Rule of 90", that time when the sum of my years in the field and my age would add up to 90. This Rule of 90 agreement would allow me to retire in 13 years, and, in terms of the time I have left to be a high performing, effective educator, that time period sounds about right to me. Now, under your proposed plan, I would need to work for twenty more years before I can retire. This is not acceptable.

The teaching profession is wonderful and difficult and the aforementioned Rule of 90 adequately supports what a person can give to it in one lifetime while still being effective for students. The pension benefit is one of the main reasons that people choose to go into education. Your proposed change will not only cast doubt in the minds of bright, young, potential VT educators who are considering entering the profession, but it will cause veteran teachers who no longer feel that the pension benefit is worth sticking around for, to leave teaching for other pursuits.

Speaking as just one VT educator, I know I represent many of us who say this proposal punishes hard-working teachers for the State's poorly conceived investment strategies.

Jeremy Hill
Teacher, Mad River Valley Elementary Schools

Mike Ferrant

From: Kim Hauge <khauge2@yahoo.com>
Sent: Thursday, March 25, 2021 8:56 PM
To: Testimony
Subject: Testimony for the upcoming Legislative Public Hearings scheduled for Friday 3/26 and Monday 3/29

March 25, 2021

Dear State of Vermont House and Senate Members:

I am writing to you today to implore you... beg you... not to support the current bill that deals with the Vermont Teachers' Retirement pension program. Please. You must not do this to our states' teachers.

I have been teaching for 21 years in the state of Vermont. My husband (also a public school teacher) and I have three children, ages 16, 13, and 11. Every career and financial decision we have made in the last ten years has been founded on the belief that when we reach the "Rule of 90" we will receive the full pension from the state of Vermont that we have been promised and have been depending on for the last 20 years.

Three years ago, at the advice of my family's financial advisor, I handed over more than \$90,000 of my retirement savings to "buy" 5 years of teaching experience from New Hampshire and Rhode Island - the two states I worked in prior to coming to Vermont. I did this because what I believed I was "buying" - based on the State of Vermont's promise to me - was extremely valuable to me. I gave the Vermont State Teachers Retirement System **\$90,000 of my retirement savings** so that I would reach the "Rule of 90" sooner. Based on VSTRS current model, I will be eligible to retire with a full pension in 6 years - in 2027.

Now, the state of Vermont is telling me that they want to change the rules of the game for anyone in my position, and in order to get fewer, less valuable benefits, I would have to teach an additional **8 years**. And because I trusted that the state would honor its commitment to me, I have already given away \$90,000 of my retirement money to the system, to buy... what?

Please. You cannot do this to us. You made promises to us. We had a deal.

The state of Vermont has taken a portion of my teaching salary for 21 years. I paid every penny they said I needed to. And in return, they promised me that when I reached the Rule of 90, I would receive a "full pension" - a defined benefit of a certain amount, based on my salary at retirement, **with cost of living adjustments included**, and a health care plan if I worked at least 25 years. That was the agreement. And I have made financial and life choices and decisions based on that information - big decisions that have big implications for me and for my family.

I do not have the time in my life to "save" for what you all are considering taking away. I cannot "make up" the financial shortfalls that you are proposing. I cannot get back the \$90,000 I have given VSTRS, thinking I was buying something of value to me and to my family.

The governors and legislators of years past decided to take the money they were supposed to set aside for state employees and teachers, and use it for other things - other programs, other infrastructure costs, other whatever. And I'm sure those things were things that they and other Vermonters felt were important and needed.

It wasn't, I would venture to say, just used for things that would benefit those teachers and state employees whose pension fund was essentially "raided." People in your positions from years past decided to divert the tax money that was supposed to fund our pensions. They took it. They didn't ask us. They just did it. And whatever it was used for benefitted, likely, on the whole, a large and diverse swath of the people in our state. It was a poor leadership decision all around.

But there is no ethical position anyone in our current leadership can take that the teachers and state employees whose accounts were raided to buy other things... there is no way it is ethical to now say that those same people have to shoulder the **entire burden** of those shortsighted, fiscally irresponsible, bad decisions. That is colossally, breathtakingly, mind-bendingly... not OK.

The benefits of the raided accounts helped all Vermonters in one way or another. All Vermonters should have to help pay it back. To force our state's teachers - the victims of this gross financial mismanagement - to shoulder the ENTIRE burden of fixing it, when we had NO PART in creating it... that is just unimaginably unjust.

Please. You cannot put people who are in my position in the position that the current bill proposes.

"Grandfathering in" teachers within 5 years of retirement is not enough. Please, please consider a more stepped approach for those of us who have purchased years, and who are close to retirement under the current system. I would urge you to take the time to consider and thoroughly explore other options.

One I have thought of is asking people who are within 7 years of retiring to pay more than other teachers into the system, knowing that they will be getting it back shortly. A percentage greater than 7.5% for a few years - say 9% or 10% - nets the state a greater percentage from those teachers who have higher salaries. Another option would be to consider a "menu" option, like the menu of healthcare plans we can choose from. Those teachers who are less than 10 years from retirement could have the option to continue in the "Rule of 90" system with the current COLA structure by paying a premium of some amount. There have to be other options besides the draconian measures in the current bill.

There is another proposed bill that would tax the wealthiest Vermonters and put those funds toward the pension deficit. Please, consider this. And the state, very soon, will receive millions of dollars in federal funds as a result of President Biden's Covid relief bill. I understand that these funds cannot directly go to employee pension programs, but I am sure those monies could fund other programs, freeing up dollars to put back into the pension fund.

Please, please do not rush to make decisions that will affect thousands of teachers' lives - and our families' lives. Please take time to consider other, creative solutions for this problem. Please consider spreading the financial "pain" among more Vermonters.

People plan for retirement for many more than 5 years. People - families - my family - have made HUGE financial decisions based on the "rules of the game" as they are currently written. To change the rules for us this late in the game will be financially devastating for so many people who, like me, like my husband, will just miss the 5 year cut off, but do not have the time remaining to "make up" the financial ramifications that would result from the current proposal.

The state of Vermont has made an agreement with its teachers and state employees. We have held up our end of the bargain, and then some. The only ethical way forward is for the current legislature to honor the commitments the state has made to us. I urge you to work with us to find a more honorable and equitable way forward.

Sincerely,

Kim Laidlaw
Teacher
Fayston, VT
802-279-5729

Dear Representatives,

I have been a teacher in Vermont for 34 years and I am approaching retirement. I have been fortunate to turn my passion for teaching into my profession, and I am grateful to work in a school system and a state that I love. Even though the proposed changes in the Teacher Pension Plan will probably not affect me, I would like to register my shock and deep concern for the future of the teaching profession in Vermont if the proposed changes come to pass.

The proposal impacts educators at all stages of their careers:

- The elimination of the "Rule of 90" will destroy the incentive for our most veteran (and expensive) colleagues to retire early and force them to stay employed until age 67 instead of making room for new teachers.
- The proposed changes: raising the retirement age to 67 (without the "Rule of 90"), doubling the years of service to be vested in the system, increasing contributions to the system, and raising the average number of years as a base for retirement salary calculation, will not attract new teachers to the profession, and it may discourage experienced teachers from staying in the profession.
- These measures do not inspire trust, instead they are proof of a broken covenant. This plan forces us to work longer, pay more and get less.

Teachers have kept up their end of the bargain: To date, we have paid everything asked of us -- in fact, twice in the past decade we agreed to contribute more. The State needs to invest significant one-time funds and find a dedicated revenue stream for the Teacher Retirement system -- like the Senate Bill S.59

I understand that you may not have been in the state legislature during the time of chronic underfunding of the Teachers Retirement system. However, how you solve the present crisis will set the precedent for generations of future teachers and show what it means to value Educators in Vermont.

We need to continue to attract excellent teachers to the State of Vermont. In order to do this, we need a system that inspires trust: The State needs to demonstrate its respect for educators, their students, and the teaching profession. The present proposal does not do that.

Thank you for considering my concerns.

Respectfully,
Martina Lemm
French Teacher
Frederick H. Tuttle Middle School

Mike Ferrant

From: Willie Lee <willie.lee@mmuusd.org>
Sent: Thursday, March 25, 2021 8:45 PM
To: Testimony
Subject: Teacher Pension...

My name is Willie Lee, I am a resident of Richmond, and a 15 year teacher in the MMUUSD school District, although I have taught in Vermont since 2001. As my town representative I wanted to share my thoughts about the proposed changes to the teachers and state workers pension system.

As a Vermont Educator of 20 years I have never been so sure about the absolute essential place our public education system holds in our society and a fully functioning economy. The pandemic has clearly shown this. The teachers of Vermont were asked to meet this challenge and we have done it with grace and dignity and hard work. We have put in our effort and shown our fortitude. The solution to the pension shortfall should not be put on the backs of Vermont's dedicated educators. And after what has been a challenging year, this just seems like a huge slap in the face, especially when the teachers hold no blame for creating this crisis. Vermont teachers have paid their fair share of the pension system, yet the state has underfunded the system for decades even when state revenues were strong. We're not asking for more, only what was promised when we dedicated our careers to the children of Vermont. The state must keep its end of the deal. Thank you for your time and service.

--
Willie Lee
BRMS Design Technology
20 River Rd
Jericho VT
802-899-3711

This e-mail may contain information protected under the Family Educational Rights and Privacy Act (FERPA). If this e-mail contains student information and you are not entitled to access such information under FERPA, please notify the sender. Federal regulations require that you destroy this e-mail without reviewing it and you may not forward it to anyone.

I am hoping my testimony will be helpful to your understanding about the teacher pension program. I am a Vermont teacher with 34 years of service to the families of Burlington. When I started teaching in 1986, I was aware of the pension program and the promise of a funded pension was one of the factors that helped me stay in the profession for all of these years. Approximately ten years ago, the Vermont teacher pension program was in financial difficulty. It was at this time that the program changed to the Rule of 90 for retirement among other changes. We were told that the program would be fiscally solid. For me, I was nearly 5 years from my retirement date as the old rule was based solely on years of service...I accepted the change reluctantly because the promise required more service, not a significant change in the contribution or benefits. The pension program is in financial difficulty again. There are proposals to change things, and once again the teachers are being asked to sacrifice something on the behalf of the program. In reality, teachers are being asked to contribute more and receive less. Teaching is, especially this year, a profession that requires sacrifice. As I work with newer teachers and teachers in training, they are watching this issue closely. They see the pattern of changing policies. Teachers are questioning the profession. Many can earn more money and create larger retirement accounts by working other places. If teachers see the pension program as a broken promise, many will leave or never join the profession. They see the sacrifice required to be a teacher. Once a teacher is enrolled in the VT State Teacher pension program the program should not change. Please honor the existing policies for all currently enrolled teachers.

Sincerely,
Matt Chandler
Burlington School District Educator

Mike Ferrant

From: ksosnow <ksosnow@brsu.org>
Sent: Thursday, March 25, 2021 8:15 PM
To: Testimony
Cc: Kasia Sosnow
Subject: How Dare You

Whoever is Not Concerned:

If our pensions are diminished or leveraged in any way whatsoever, I am leaving Vermont state. I have been a well-loved teacher for 12 years in Manchester, and Mentor of the Year two years ago. I live here alone, no family. After year 15, the minimum I need to access full retirement in the future, and after my Federal Loan Forgiveness, I will leave here. I am sacrificing my life- we pay for things with years of our lives - and my secure, healthy, happy future is what motivates me. Teaching is an investment in one's future, while we work painstakingly to build the futures for these communities. How dare you even entertain the idea of using or manipulating teacher pensions, which already pale in comparison to NY, for example?! This is among the lowest of the low. *Among other severe problems and risks involved, this would add an entire decade on to the end of my career, after working tirelessly full-time in this system since 24 years old. Absolutely not.*

Extremely concerned and saddened,

Kasia Sosnow

Kasia Sosnow
ksosnow@brsu.org
PO Box 654
Manchester Center , Vermont 05255

Sent from my Verizon, Samsung Galaxy smartphone

March 25, 2021

Dear Representatives,

Let me get this straight: the State used money teachers had paid into the teacher pension fund to balance the books, because the State had not kept up with its funding promise. Now, you are asking teachers to pay back the money you borrowed, plus interest.

Huh? Bad math, legislators.

To add insult to injury, you propose measures that force teachers to work longer, pay more into the pension, and get less out of it when they retire.

This proposal comes at a time when teachers have put their lives, and the lives of their families, on the line during a pandemic to serve our communities.

This proposal comes at a time when the State is receiving BILLIONS of dollars in federal Covid-19 relief funds that could be used to replenish the pension.

You show with these proposed changes that you have neither integrity, nor gratitude. Are teachers essential or disposable to you? No need to reply; the answer is clear.

Polly Vanderputten
pvanderputten@sbschools.net
30 Pitkin St Apt 2
Burlington, Vermont 05401

Mike Ferrant

From: Timiny Bergstrom <tebergst@hotmail.com>
Sent: Thursday, March 25, 2021 8:08 PM
To: Testimony
Subject: Teacher testimony re: pensions

Dear public servants,

Thank you for the opportunity to testify on behalf of Vermont's public educators. I am in my 15th year of teaching public elementary school. I truly believe that being an educator is one of the most important jobs in the world. There is no greater opportunity than public education.

That being said, this job is difficult. Very, very difficult. This year, in the midst of a global pandemic, has been the most challenging of my career. Balancing the many COVID precautions of mask wearing, handwashing, and social distancing, with the demands of parents, the social emotional and physical needs of my students, along with the pressure to "get kids caught up" and raise test scores, has been next to impossible. It is said that teachers make approximately 1,500 decisions a day. I can tell you from experience, that that is exactly what it feels like. Many of us cannot keep our heads above water. Which feels horrible, mostly because we educators very much care about our students and fully desire to prepare our students for success and happiness in an ever-changing world. But it's a job worth doing because if we didn't, what future would we have? We are creating a better world with and for our students every single day. I truly believe in the power and importance of our job.

With that being said, what is being proposed in order to fix the mistakes made and fund our underfunded pensions, is not only detrimental to my colleagues' and my family's future (my husband is a music educator), it is damaging to the future of our state and nation. Teachers are already suffering from burnout and leaving the profession at an alarming rate. It is already a mostly thankless job. Our health care has already taken a hit. And now our pensions. What will draw young, talented, dedicated teachers to our profession? What will keep the teachers just beginning their careers in our schools? It certainly isn't the salary. Who will educate our children? Who will prepare our students to be contributing, thoughtful, committed Vermonters and citizens? I daresay that there is very little left that will inspire new educators to enter the profession and very little that will keep those who do, if we also cut their pensions.

We need to be investing in teachers, not underfunding and undervaluing them. Teachers are creating our future through their work with children every day.

What kind of future do you hope for? What kind of teacher do you want in front of your children every day? One who struggles to make ends meet? One who worries about going to the

doctor because they can't afford their deductible? One who worries about their ability to retire in comfort?

Or do you want a teacher in front of your children who knows that their state and their community values their vast contributions to society? Do you want a teacher who does not need to work a second job and can dedicate all of their professional time and energy to the job of educating your child? Do you want a teacher who is happy to go the extra mile for your child today because they know that one day they will retire in comfort with the satisfaction of a job well done?

It comes down to the question of whether or not you value public education. Because if you do, if you want the best possible future for our children and your communities, then the proposals set forth are not the solution. Nor is the proposal a compromise. Many of us have asked you to consider placing some of this burden on the shoulders of the wealthiest Vermonters. Income inequality and wage gaps continue to grow in this nation. The current proposal does nothing to remedy that. It simply exacerbates the discrepancies between us middle-class educators and the wealthy. Until a proposed plan that shares the underfunded pension burden with those most well equipped to bear the brunt of it, then this is not a compromise. It is not a fair and just solution.

So, public servants, I'm asking you with deep gratitude and respect, to please return to the table and come up with a solution that more equitably distributes the underfunded pension burden with all capable Vermonters, not simply on the backs of teachers. I don't pretend to understand the complexities and nuances of your job. And I very much appreciate your willingness to do a job that I am sure is mostly thankless, just like mine. It cannot be easy. Particularly in these fraught times. Thank you for your consideration.

Wishing you all good health and happiness,

Timiny Bergstrom

Third grade teacher at Summit Street School, Essex Junction, VT

Mike Ferrant

From: Bob Metz <metzbob@gmail.com>
Sent: Thursday, March 25, 2021 7:53 PM
To: Testimony
Subject: Teacher Pension Changes

Greetings,

My name is Bob Metz and I live in Williston. I've been a teacher for 21 years, the vast majority of that here in my home state of Vermont. I entered into this profession with a compensation package that included a pension, and a commitment from you all to secure it despite not funding it. For years and years you and your colleagues, both past and present, all chose not to fund the pension. Some sort of change is certainly needed, there's no doubt about it. But to ignore it for years like you did, spend the money elsewhere, and then propose drastic changes like you are, is just unbelievable.

We need to fix this system, it's broken. You've known that and did nothing for almost twenty years. Meanwhile, we all continued to teach and do our job while contributing our share. Now, in a time of pandemic, when we all have been asked to do more than we normally would or can, teachers collectively answered the call. We accepted the reluctant inclusion in vaccination plans well after it should have been done. We have down our part time and time again. This moment, when there's finally hope of a return to normalcy, this is when you decide to add to our future burden without anyone at the table representing us.

So be it. You're legislators and have therefore done your job by addressing it. I sincerely thank you for taking up the issue. But the length to which you've gone exceeds my willingness to compromise. The necessary changes to create a fiscally sound system are overdue. But just like it was ignored for years, perhaps it could also be implemented over a timeframe that is more deliberate and less impactful in the immediate sense. The federal dollars do not count in this affair and I would hope that is not the claim made in regards to sharing the burden. There is a common ground that can allow for reasonable and incremental change that reflects careful consideration by representatives of all interested parties. This current plan, which shifts the entirety of the burden onto teachers, is certainly not it.

Respectfully,

Bob Metz

March 25, 2021

Dear Representatives,

There is a perception that public employees, especially teachers, have a calling to their profession, that there is a sense of selflessness involved when one chooses to become a "public servant." IS IT THIS PERCEPTION THAT HAS LED THE STATE TO BELIEVE THEY ARE ENTITLED TO TAKE ADVANTAGE OF PUBLIC EMPLOYEES BY DENYING THEM THEIR FULL PENSION?

I am an EDUCATOR. I am a PROFESSIONAL. I have worked hard over the past 18 years. And, I have worked with the expectation that my service to the public, and my paying into a system that was set up to support public employees in retirement, would continue to exist. The current pension PROPOSAL is an INSULT to educators across the state of Vermont.

Why are teachers being asked to pay more (out-of-pocket) for less (retirement benefits) after DECADES of the State PURPOSEFULLY UNDERFUNDING the teacher pension program?

In choosing to become a teacher, I knew that I would be expected to pay into the state retirement system. I have. To date, teachers have paid everything asked of us -- with the State already changing our commitment twice. It is time for the STATE TO STEP UP!

Going in, I knew that being an educator would be a challenging career, but I did not expect to ever feel so devalued and disrespected.

Regards,

Carly Bennett

Mike Ferrant

From: Brian McDonnell <bmcdonnell3@gmail.com>
Sent: Thursday, March 25, 2021 7:42 PM
To: Testimony; Michael Sirotkin
Subject: Concerns regarding the Vermont Teacher's Pension

Good evening,

Please consider the following Testimonial regarding opposition to the Vermont Teacher's Fund.

Testimonial for VT Teacher pensions

I am writing to you concerning the gutting of the VT teacher's pension.

I am a 30 year old professional that moved to Vermont from Massachusetts. I am at a tipping point in my career, where my partner and I are deciding between staying in Vermont and making our lives and careers here, or moving out of state. If the proposed pension plans are approved, if Vermont teachers are going to be asked to put more money into the system and get less out of it, if cost of living increases are going to be diminished/eliminated, then that makes our decision easy. We will leave Vermont, and contribute to the exodus of educated young adults that is crippling the state's economy and leaving Vermont's workforce ageing and stagnant. We want to stay, we hope to stay, but if the changes go through, it will not be a smart decision for our family.

Vermont has an incentive to retain young professionals, with an aging workforce and the growing need for young professionals to fill those jobs, Vermont can't afford to let a stream of professionals walk out the door. My partner is the ideal example of the worker that Vermont so desperately needs to retain. She immigrated to the US with her family at a young age. Her father opened up a small Jewelry business in the Northeast Kingdom that attracts business from NH to Vermont. My partner went to public school in Vermont, followed by an undergrad at UVM. Despite working in admissions for an international university, she decided to return to Vermont as a young professional. She got a job and earned her Masters in Business Administration, all while becoming an integral member of one of Vermont's essential companies. Currently, she is instrumental in advocating for and implementing diversity training and ensuring equitable hiring practices in Burlington. She will be leaving if these pension changes go through.

My partner's aunt joined her family in the Northeast Kingdom and raised her family there. All attended Vermont public schools, and one cousin went to Harvard and graduated in astrophysics while working on a team that earned a Nobel Prize. The cousin now works with an organization aiming to legislatively improve the wage gap for professional women. The other cousin runs summer camps and ski programming in Vermont's growing outdoor industry. Their mom? A teacher in the Vermont Public Schools. Their family also plans to leave the state if these changes are approved.

I am a teacher at Burlington High school. Before teaching I worked in a lab developing vaccinations for the US Department of Agriculture and Department of Homeland Security with the mandate to contain the spread of infectious diseases that could decimate our farming system. My partner and I decided to move back to Vermont and I got my Vermont Teaching license. I coach year round- Cross Country, Indoor Track, and Spring Track, as well as teaching Civics, Economics, Public Issues and World affairs, and run an investment club teaching students effective financial literacy skills. In the years of being here, I have coached nine Division One state championship teams, brought five students to nationals, helped develop the next generation of the track and cross country community in Chittenden county, as well as provided young adults with lifelong healthy habits that will improve the health of Vermonters for years to come. If the proposed changes go through, I will not be able to rationalize staying in Vermont, buying a home, and starting our family here.

So, the Democrats in the Legislature have a choice. They can choose to make up for years of financial mismanagement by gutting the teacher's pensions, or they can look elsewhere for the funds to cover the lost revenue. To solve their problem by dipping into the retirement funds of hardworking educators comes at a cost though. Like the opportunity cost I teach all of my students about, taking from the VT teacher's pension will lead to an aging and expensive workforce that draws large salaries and refuses (or is economically unable to) retire, stressing the state budgets. Those costs need to be considered.

The state will also have to deal with greater 'brain drain' as educated Vermonters choose to move out of state to earn their salary. Replacing experienced educators will be harder as the top graduates from UVM move out of state. I had a fantastic student teacher last fall that grew up in Vermont, was dual certified in subjects of need, and enjoyed working with the underprivileged students in Upward Bound over the summer. He looked at the economic realities of teaching in Vermont and is now working in New York.

Your best teachers are not so easily replaced. The state will have to pay for the cost of instability and turnover and institutional knowledge leaves, and the cost of training replacements for each district makes the system less effective and more costly. The state will have to pay pensions of qualified teachers that walk away and work for a private corporation at their first chance, while drawing from the pension fund. Solving the pension problem by taking from the pockets of educators may not have expenses that appear on your budget sheet, but there are very real, and very significant, costs.

Or, the state could slow down. Don't pass these changes to the pension. Use the checks built into our system of government and apply the brakes to this legislation. Projections indicate that there is money in the coming year from higher tax revenues and billions of dollars of federal aid. Take the first step and apply that windfall to the pension fund. It won't solve the issue in one step, but it's a start, and it won't involve taking from hardworking and contributing members of our community. Trust that the stock market will bounce back and investment returns will increase over time and will pay off, you don't want to overreact now. Make a long term plan for financial solvency, and don't take the short sighted approach of looking for available funds and taking from the hard working teachers of Vermont.

I understand why you might be focused on the immediate financial issues, but there is another long game to consider: whether teaching in Vermont remains a profession that draws and retains innovative, engaged professionals. Consider if those teachers leave, so will their families. More than anything else, this single resource is the most important one we have. It is already at a tipping point. If these reforms push it over the edge, then the State will have traded the mirage of financial stability for the beating heart of its education system. This would be a disaster.

At the end of the day, a pension is a promise. Keeping promises is the Vermont way. Breaking them is not.

Thank you for your time and care, and for your leadership during this challenging time.

Brian McDonnell (*he/him*)
Social Studies/Economics Dept.
Coach: XC, Winter and Spring Track
Investment Club advisor
Burlington High School

March 25, 2021

Dear House Government Operations Committee,

It's time to reject the current proposal to "fix" the current pension shortfall on the backs of the employees and retirees who have been depending on this promise for their financial security. It is unfair to place the burden on their backs when it was the mismanagement by the state that created this situation. There are other solutions.

This current plan, if put into motion, will make Vermont an even more undesirable place to develop and maintain a teaching career. We regularly (even before Covid times) have trouble finding highly qualified teachers to fill positions. This plan will hurt education in Vermont more than just in the financial security promised to its employees.

Stop and rethink this plan now!

Thank you for your consideration,
Elizabeth Greene
Burlington, Vermont

Mike Ferrant

From: Kirsten Hendrickson <kirstenah_99@yahoo.com>
Sent: Thursday, March 25, 2021 7:31 PM
To: Testimony
Subject: A veteran teacher' testimony

If you support teachers and state workers please consider sending an email to your representatives and Governor Scott. Our reasonable retirement is in jeopardy.

Here is my story:

I began teaching in 1999. At that time I would have been able to retire after 30 years service at the age of 53.

Flash forward about 10 years- rule of 90 comes in to play. Now I can retire at 57. (Not so bad)

Proposed retirement from our government (March 2021) changes everything. No option to receive a check until the age of 67.

I have been teaching for 22 years with 11 to go with the rule of 90. This proposal adds 10 more years to when I can receive a pension. I will go to 21 more years of teaching and in the end I will have taught for 43 years. (If I don't leave and work somewhere else until I'm 67 when I can start receiving my pension.)

I know there are people who will read this and say in a whiney voice- oh poor teachers. But truly reflect on the radical change this makes for people who have retirement in sight to have it all ripped away.

I have emailed our Governor and my representatives. They all say they support teachers and that this is not the time to make the radical change.

My hope in bargaining (Thank you unions!) a reasonable compromise can be made.

Kirsten Evans

Mike Ferrant

From: Lori Centerbar <lcenterbar@sbschools.net>
Sent: Thursday, March 25, 2021 7:17 PM
To: Testimony
Subject: Wednesday's House Speaker Teacher Retirement Proposal

Hello Representative.

I am a veteran teacher of over thirty years. I have just spent the last year teaching during a pandemic which has wreaked havoc on our students' mental health as well as their academic lives. Upon hearing of the new pension proposal that was unveiled on Wednesday, I am in utter disbelief.

Are you aware that eliminating the Rule of 90 does nothing but keep the most experienced, and most expensive teachers in the classroom when, instead, you could be attracting the younger generation of teachers who are ready, willing, able, and probably much better equipped to handle the issues facing education today.

It is fully the fault of the State of Vermont for underfunding the teacher pension program, and I fail to understand why, as stewards of the most important job in this state, we are being punished and asked to pay more out of pocket for less retirement benefits.

Teachers have stepped up and have done everything asked of us regarding paying more, contributing more. Now is the time for Vermont to show how valuable its teachers really are. It is time for Vermont to invest significant one-time funds and find a way to fix the mess Vermont has made.

I am within five years of my retirement. I have given my life for my career and have taught thousands of Vermont children. I have been Teacher of the year twice in my career - an honor I have been greatly honored and humbled to have achieved. I have upheld my end of the bargain, and now, I am fully expecting this state to fulfill its promise to me.

I want to feel valued. I want to feel as though my 33 years of service (38, buy the time I retire) are appreciated. I want to know that the endless hours of my time spent planning, teaching, assessing, emailing, coaching, advocating, protecting, listening, talking to parents, worrying as if I were their parent, and loving all of "my kids" as part of the profession I dreamed of as a little girl has not gone without notice.

Please reconsider Wednesday's proposal. I have always been so proud of being a teacher. I want Vermont to acknowledge the invaluable role its teachers play. This is not the way to do it.

Respectfully,
Lori D. Centerbar

--- This email may contain information protected under the Family Educational Rights and Privacy Act (FERPA) or the Health Insurance Portability and Accountability Act (HIPAA). If this email contains confidential and/or privileged health or student information and you are not entitled to access such information under FERPA or HIPAA, federal regulations require that you destroy this email without reviewing it and you may not forward it to anyone. If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed

Evan Meenan
114 Applewood Drive
Berlin, VT 05602
epmeenan@yahoo.com

March 25, 2021

Via Electronic Mail
Vermont Legislature
testimony@leg.state.vt.us

Re: Public Hearing on Public Employee Pension System.

Dear Legislators,

I am providing these written comments on the proposed reforms to the public employee pension system because, unfortunately, it appears there are no longer times available to testify at the upcoming public hearing. These comments are mine alone and in no way represent the views of the Vermont Natural Resources Board where I serve as the Associate General Counsel.

First and foremost, I would like to acknowledge that I am a proud State of Vermont employee, I enjoy the work that I do, and I am currently satisfied with both my level of compensation and benefits. I fear, however, that the proposed changes to the public employee pension system will make it difficult to recruit and retain employees. This is especially true for exempt employees such as myself who don't enjoy the protections afforded by the Vermont State Employees Union, who are not eligible for overtime, who can be dismissed without cause or for any non-discriminatory cause, and who can often earn a higher salary in the private sector.

I entered the full-time work force in 2008 after graduating from Hamilton College and Vermont Law School. In 2010, after two years, I left the law firm where I worked for a job with the State of Vermont. My starting salary as a state employee was approximately 30% less than my law firm salary. There were two primary reasons why I nonetheless accepted a position with the State. First, I knew the work would be personally and professionally rewarding. Second, I knew that I would be eligible to participate in the State's defined benefit retirement system.

Because I started working for the State at the age of 27, under the Rule of 87 that exists under the current public employee pension system, I only needed to work for the state for 30 years to obtain my full retirement benefits. The proposed changes to the pension system would eliminate the Rule of 87 and set the retirement age at the same age required to receive social security retirement benefits. That age is currently 67. Because I am now 37 years old, I would have to work for the State for a new 30-year period to receive my full retirement benefits, except the proposed changes would significantly reduce those benefits. This effectively means that for me and similarly situated employees, my past 10.5 years of public service will not count towards my retirement date. I will be starting all over again without knowing whether in another few years the State will make additional changes that once again increase my retirement age and decrease my benefits.

I certainly appreciate the need for the State to make fiscally wise decisions that make sense for all Vermonters and not just Vermont State employees. However, if enough changes to the pension system are made, eventually some State employees will have to question whether it is more advantageous for themselves and their families to seek employment in the private sector where they may be able to obtain higher salaries that they can use to make larger investments in a defined contribution plan to offset the losses to their pensions. As mentioned, this may be

especially true for the State's exempt employees who cannot join the Vermont State Employees Union and receive the benefits that membership in the union affords.

Thank you in advance for your time and consideration.

Sincerely,

Evan Meenan

Cc: Sen. Ann Cummings (acummings@leg.state.vt.us)
Rep. Anne B. Donahue (adonahue@leg.state.vt.us)
Rep. Kenneth Goslant (kgoslant@leg.state.vt.us)
Sen. Andrew Perchlik (aperchlik@leg.state.vt.us)
Sen. Anthony Pollina (apollina@leg.state.vt.us and apollinvt@gmail.com)

Evan Meenan
114 Applewood Drive
Berlin, VT 05602
epmeenan@yahoo.com

March 25, 2021

Via Electronic Mail
Vermont Legislature
testimony@leg.state.vt.us

Re: Public Hearing on Public Employee Pension System.

Dear Legislators,

I am providing these written comments on the proposed reforms to the public employee pension system because, unfortunately, it appears there are no longer times available to testify at the upcoming public hearing. These comments are mine alone and in no way represent the views of the Vermont Natural Resources Board where I serve as the Associate General Counsel.

First and foremost, I would like to acknowledge that I am a proud State of Vermont employee, I enjoy the work that I do, and I am currently satisfied with both my level of compensation and benefits. I fear, however, that the proposed changes to the public employee pension system will make it difficult to recruit and retain employees. This is especially true for exempt employees such as myself who don't enjoy the protections afforded by the Vermont State Employees Union, who are not eligible for overtime, who can be dismissed without cause or for any non-discriminatory cause, and who can often earn a higher salary in the private sector.

I entered the full-time work force in 2008 after graduating from Hamilton College and Vermont Law School. In 2010, after two years, I left the law firm where I worked for a job with the State of Vermont. My starting salary as a state employee was approximately 30% less than my law firm salary. There were two primary reasons why I nonetheless accepted a position with the State. First, I knew the work would be personally and professionally rewarding. Second, I knew that I would be eligible to participate in the State's defined benefit retirement system.

Because I started working for the State at the age of 27, under the Rule of 87 that exists under the current public employee pension system, I only needed to work for the state for 30 years to obtain my full retirement benefits. The proposed changes to the pension system would eliminate the Rule of 87 and set the retirement age at the same age required to receive social security retirement benefits. That age is currently 67. Because I am now 37 years old, I would have to work for the State for a new 30-year period to receive my full retirement benefits, except the proposed changes would significantly reduce those benefits. This effectively means that for me and similarly situated employees, my past 10.5 years of public service will not count towards my retirement date. I will be starting all over again without knowing whether in another few years the State will make additional changes that once again increase my retirement age and decrease my benefits.

I certainly appreciate the need for the State to make fiscally wise decisions that make sense for all Vermonters and not just Vermont State employees. However, if enough changes to the pension system are made, eventually some State employees will have to question whether it is more advantageous for themselves and their families to seek employment in the private sector where they may be able to obtain higher salaries that they can use to make larger investments in a defined contribution plan to offset the losses to their pensions. As mentioned, this may be

especially true for the State's exempt employees who cannot join the Vermont State Employees Union and receive the benefits that membership in the union affords.

Thank you in advance for your time and consideration.

Sincerely,

Evan Meenan

Cc: Sen. Ann Cummings (acummings@leg.state.vt.us)
Rep. Anne B. Donahue (adonahue@leg.state.vt.us)
Rep. Kenneth Goslant (kgoslant@leg.state.vt.us)
Sen. Andrew Perchlik (aperchlik@leg.state.vt.us)
Sen. Anthony Pollina (apollina@leg.state.vt.us and apollinavt@gmail.com)

Mike Ferrant

From: Lynne Hansen <Lynne.Hansen@mvsdschools.org>
Sent: Thursday, March 25, 2021 7:11 PM
To: Testimony
Subject: VSTRS

My one questions is why? Why would you cut teacher pension while asking us to risk our health to keep schools open. Do you think our low COVID transmission rates are a fluke? No, we work hard each and every day to provide a safe and healthy learning environment for your students. We teach behind plexiglass wearing shields and masks. We continually clean and disinfect making sure we can keep our buildings open for our kids. We have done everything asked of us and much, much more trying to adapt and continue to provide an education to Vermont's children. We turned our practices around on a dime to provide remote learning for months when we were suddenly shut down due to COVID. We made everything work for our students and families. This is my 36th year as an educator and it has been, by far, the most challenging ever. We have worked tirelessly and have successfully been able to keep Vermont schools open. My school has been full-time, in-person since early November. Many surrounding districts have not reached that goal yet. My colleagues and I want to teach and we have invested years of our lives to this profession. Please DO NOT make cuts to our pension at this critical time. Teachers are leaving the profession at alarming rates and it is actions like these that cause people to rethink their commitment to education. I have put in well over half of my life as a teacher and we all deserve to get the pension we were promised. How do you expect to keep schools open while taking away teacher benefits? This is so very unfair and a disrespectful slap in the face to all Vermont educators. Please reconsider these cuts and give us some incentive to stay in the profession and some reward for working tirelessly to keep schools open during a global pandemic.

Lynne Hansen
K-3 Literacy Interventionist
Highgate Elementary School

I am writing the legislation about the proposed changes in the Vermont Teachers' Retirement system.

To put it mildly, I am outraged with how educators are treated in this state and in this country as a whole. The total disrespect is appalling. I could have just sent the form letter to you that you probably will receive from some educators who are also residents but I thought I would share how I feel on a personal level and how the future of this profession, hence all other professions, is going to be negatively affected by the changes that the state wants to make to the pension system, yet again.

I am not a classroom teacher. I am a Speech Language Pathologist who chose to work in public schools versus a clinic, a hospital, or a university. I chose this field because I wanted to work with people, specifically people with communication needs. I chose to do this work in public schools because I wanted to work with children and I chose to stay in Vermont because there was a shortage of Speech Language Pathologists in schools. I also chose to work in Vermont public schools earning a salary much lower than in other settings and much lower than in public schools in other states because at the time, I was promised all my years of hard work and dedication would result in a pension when I retired.

I fully understand the scope of the situation the state faces with pensions and the additional impact of COVID. However, the fact that money was mismanaged by the state should not be the responsibility of teachers. This is my thirty-fifth year working in Vermont public schools and because of the first pension crisis I had to work five additional years to be eligible for my full benefits. I love what I do and I plan to work a few more years, however, I am now told that my pension is in jeopardy again. It is ridiculous and unacceptable, particularly during this pandemic. Educators in this state have been told to work, function, and educate our youth as if everything is normal.

I am sure at this point in this letter you can see why changes and reductions in the state teachers' pension is outrageous and deplorable. I also think the state needs to consider these changes very seriously because very few young people are going to choose a lower paying profession (considering the cost of higher education) with very little in terms of a pension. Without public school educators, the majority of people in this country would suffer. If it weren't for teachers; doctors, lawyers, realtors, builders, hair stylists, the POTUS, etc. wouldn't be where they are in their professional lives. We are not just important, we are essential to keep this country functioning (as we learned during the initial stage of the pandemic).

Thank you for considering this testimonial.

June Golato

Mike Ferrant

From: Jaclyn Parrott <jaclynparrott2@gmail.com>
Sent: Thursday, March 25, 2021 5:57 PM
To: Testimony
Subject: Respect

To whom this may concern,

Teachers deserve respect! We are professionals and have not been treated as such for far too long now. I am appalled at the proposals that have been made. I have worked for most of my life to be a teacher. I have had to work so hard to be a teacher and I LOVE being a teacher! We provide children in Vermont with a world class education. We collaborate with families so that students can be successful socially, emotionally, academically and ethically. We keep students safe and well cared for that are dealing with trauma at home. We work well beyond a 40 hour week. We consistently attend workshops, professional development and college beyond our work hours so that we can do and be our best. We deserve to have summers to recuperate from putting our ALL everyday into our teaching and to spend time with our families. We deserve to be well compensated for the job that we do. We deserve to be respected and valued for teaching OUR students to be the best that they can be. Please treat us with the respect and value that we DESERVE as professionals!

Best,

Jaclyn Parrott

Mike Ferrant

From: Craig LaPine <craig295@comcast.net>
Sent: Thursday, March 25, 2021 5:39 PM
To: Testimony
Subject: pension

I am writing this to state my concern about the impact of the pension proposals will have on me and my family. I am in my 23rd year of teaching and have worked with students with significant emotional and learning needs. I have set my retirement account and contributed what I can so that my family and I can have a comfortable living when I retire (which I was hoping would be within 7 years). With this proposal, I will have to keep working with students who can be physically aggressive until I am 67 years of age. I don't know if I can maintain the energy for that work. Also, with the pension proposal changes, I will not be able to live the way I have planned to for all of those years when I was promised a pension at a certain level. I don't believe this is right to balance this on the backs of teachers.

Craig LaPine

Mike Ferrant

From: Krista/Ben Larrow <kblnorth@gmail.com>
Sent: Thursday, March 25, 2021 5:28 PM
To: Testimony
Subject: Proposed Teacher and State Employees Pension Changes

My husband and I wish to express our extreme disappointment and dismay with the proposed changes to the Vermont Teachers Retirement System.

We returned to school and Vermont in our mid 30s in order to pursue careers as teachers after exciting careers in a science field. We have now been paying into this system for more than 25 years with the expectation that we would have insured the resources that would support us through our retirement. As it is here in VT, teachers are paid significantly less than teachers in most other states. We feel the proposed changes will not give us the livable retirement income we've earned and expected and may be forced to continue working well after our retirement age.

We have paid EVERY PENNY of our obligation to the Vermont State Teachers Retirement Fund throughout the years, trusting our government and legislature to follow through on their end of the bargain. It is not morally right to now pull the rug out from under the teachers who have dedicated their lives and careers to teaching the students here in Vermont, despite the lower wages and constant public scrutiny.

It is time that teachers start being treated as the professionals that we are. If there is a shortfall in the pension fund it is not due to the teachers not meeting their obligations. It is time that the legislature look elsewhere to fill in the gaps that have been created over the years.

We are saddened that during a global pandemic, (which has forced us to teach in the most challenging situations of our careers) that this is how our government proposes to treat teachers. Both my husband and I are exhausted and were hoping to retire in a year or so. The proposed pension changes have left us feeling less than appreciated. Overall teacher morale has plummeted on top of the exhaustion we are experiencing from this difficult school year. Recruiting a new generation of quality teachers in Vermont is going to get significantly more difficult if this is how the teaching profession is treated by our State. Vermont, during our teaching tenure, has been a national leader in schools and education. With the said present and proposed policies Vermont's standing will surely suffer.

Sincerely,
Krista and Ben Larrow

Mike Ferrant

From: Alex Possidente <alex.possidente@gmail.com>
Sent: Thursday, March 25, 2021 4:42 PM
To: Testimony
Subject: Teacher Pension

Dear Representative/Whom this May Concern,

I have been a proud public teacher for over a decade, and have raised a family off of 1 teacher income. I have paid every penny ever asked.

I am very frustrated about the recent proposal to cut this money. This was at no fault of me. This is a result out of my control, and now ALL teachers are being asked to carry the burden.

I strongly ask that as representatives you consider the implications of changing the pension system. This will disadvantage hard working teachers who have been working tirelessly to earn a living and secure a fair and reasonable retirement.

Thank you,
Alex Possidente
South Burlington

To House Government Operations Committee and the General Assembly at large:

I am writing today to express my astonishment and grave concern that the legislature would continue to move forward on a pension re-design this year and make such large changes to the system with little notice to employees for planning. In a year no less that you are all working remote as many of us are, relegated to computer screens rather than a much more impactful process.

Since the release of the proposal, it has simply been a nagging feeling of dread as I go about the business of taking care of Vermonters. The state employees and teachers have worked tirelessly throughout this pandemic to put forth every safety net possible to protect people and provide food, financial stability, safety, education, mental health services, substance use recovery, emergency services, transportation and on and on. We have also pushed out an extraordinary number of financial resources that have come at us from many different directions requiring employees to build and adjust new IT systems, manually sift through thousands of lines of spreadsheets, cut thousands of checks and do it quickly. All while you have been planning to reduce our benefits. Shame on you.

On November 15, 2020 I asked the retirement office for a retirement estimate. I was told at that time it could take up to 60 days for this information. I nudged again in January as I was sure they were busy with end of year retirements. I finally received the benefit estimate on March 8, 2021. That estimate is no longer accurate as I had an increase in pay during that time. I cannot obtain a new estimate from them unless I am within 60-90 days of retirement. I am unable to obtain information about what my pension would be under the current rules to calculate how much financial damage these changes will cause my family. (I am aware others are making it abundantly clear how much of a financial burden these changes are and how lopsided these proposals are at shifting the burden of correcting the sins of the past legislatures and governors to state employees who had no role in making those decisions)

I have no time before July 1st to meet with a financial planner to discuss options, or to plan with my husband for next steps. I am working full time continuing to do my job with the respect it deserves. He is a small business owner trying to keep our business afloat and our employees whole. I am helping my 17-year-old daughter choose colleges. We are bringing my mother-in-law home from a nursing home on Monday as she wants to spend her last days in her own home.

I tell you these things not for sympathy but only to describe the time crunch and added stress this has caused. This timeframe is unreasonable, and we deserve the respect of having a longer runway to plan for our lives after 30, 25, 20, 15 years of service to you and this state.

Respectfully,

Tricia Tyo

My name is Amanda Bolduc and I started working for the State in May of 2005 when I was 25 years old, fresh out of graduate school. I took my position with the State, as opposed to a higher paying job in the private sector, for the SOLE reason that the pension program, benefits and union organization offered more stability and security for my future. My goal has always been to dedicate 30 years of service to the State and then hopefully retire using a combination of my pension, deferred compensation, and savings to allow me to travel and enjoy my golden years. I lost my father to a brain tumor in 2018 when he was just 62 years old. He and my mother were just one month short of their 40th wedding anniversary. Their plan was for him to retire that winter so they could buy a camper and travel the country. They never got that chance. I don't want that for my future. This is why, since my first day of employment, I have diligently planned, saved, analyzed, re-evaluated and re-assessed. My goals were clear and in sight. And now the legislature is threatening to pull the rug right out from under me due to THEIR failures. I reviewed the proposals that Treasurer Pearce released with much dismay. Her suggestions put a very heavy burden on state employees. I thought that the legislature would take a more even-handed approach and would take responsibility to shoulder the burden of the mess they created. But I was sorely mistaken. The proposals being pushed by the House Gov Ops committee are more than the rug being pulled out from under me. They are a punch in the gut, a stab in the back and a kick while you're down. It's almost like they were intentionally created to be SO BAD that the suggestions of Treasurer Pearce would look good by comparison. The Gov Ops proposal would force me to work at least 42 years to qualify for my pension, assuming that the Federal Government doesn't again increase the age of Social Security beyond 67. Further, I would have maxed out my steps around year 27 which means that for a significant portion of time, I wouldn't see an increase in my salary other than the meager COLA that we see occasionally. To ram these ill-conceived proposals through during a pandemic, behind closed doors, and with little regard to the consequences of 50,000 Vermonters is infuriating. I've done my part. I've been careful with my planning. The pension problem was not created by hard working Vermonters. It was created by a lack of proper governance. It is the responsibility of the Government to fix its mistakes without unfairly punishing the employees it claims to value.

Thank you for your time.

Amanda Bolduc

VPIC Board

To whom it may concern;

1. Boston College retirement research shows that governance experts recommend boards of 6 to 10 members. They also point out that on average retirement boards are made up of 54% plan participants.
2. Vermont Investment boards have never been political, the present proposal of 15 members all to be appointed by the governor or treasurer is wrong in that the makeup of the board would be 100% political. Getting approval of members from the Governor or Treasurer is unacceptable.
3. Whose money is it? Just as with any retirement vehicle such as an IRA once the funds are in the account contributions belong to the employee and the employer has limited if any say on how it is invested. Does your employer tell you how to invest your retirement money?
4. The majority of a pension board should be the people whose money it is. The balance of the board being stake holders to represent the tax payers of the state. A board of 7 with 4 being people with money in the fund and the others stake holders. This could be 9, 5 being members the others stake holders.
5. I have seen very little on the states part on how to raise additional funds to pay their obligations. Some thoughts are to Recapture Homestead Reduction payments, this is not a new tax but just a postponing of a portions of the property tax enabling people to stay in their homes. Make a list of properties that could be sold to raise funds such as the land under Stowe or Killington. Do as the federal government does and sell state buildings and lease them back. Before you back away from your obligations.
6. Teachers have never missed a payment into the fund, the state underfunded the system in 1972 for 2 million dollars and for many years after that. We always tend to blame those we owe money to for our problems. Don't make us the escape goat.

Joe Mackey

VPIC Member

Mike Ferrant

From: Dana Hamm <dana.hamm22@gmail.com>
Sent: Thursday, March 25, 2021 3:21 PM
To: Testimony
Subject: Pension

Good Afternoon,

I'm so mad. My pension is my money and the district's money that the state didn't handle well. I am planning to retire Oct 1 2026. My husband and I are planning to move out of the state to where our children live.

I'm hearing that the state is changing the rules on us. I have worked in Vermont schools since 1999. I will have 90 years in 2026. Don't take that away because you didn't handle my money right. I also hear I won't be getting my pension until I'm 67, REALLY you can't change that too.

How can the people we elect change a program that I have been in for more than 20 years? I have planned for the next chapter of my life and might not be able to start the next chapter for another 5 years. NO FAIR. This changes SO many people's lives in Vermont. Why? Our government didn't hold up to their end. I will take more out of my paycheck if that is what it takes. I missed being grandfather in by .25 of a year.

"I think the teaching profession contributes more to the future of our society than any other single profession." John Wooden

Very Frustrated
Dana Hamm
22 year in

Visit the State's job listing and click on any of the postings. Scroll down to the *Total Compensation* section. It is here that prospective public servants are promised:

"As a State employee you are offered a great career opportunity, but it's more than a paycheck. The State's total compensation package features an outstanding set of employee benefits that are worth about 30% of your total compensation."

The pension is a big part of that thirty percent. And thirty percent of one's total compensation is not a trivial matter. Thirty percent is the difference between realizing dreams or being forced to sacrifice them.

Asking only Vermont's public servants to sacrifice is legislatively convenient. More to the point, it is cowardly. It would take real resolve to ask wealthy Vermonters to do their part. The same kind of resolve teachers, troopers and countless other public servants routinely demonstrate when they go to work for you every day.

Signed,

A concerned public servant

Mike Ferrant

From: Jeremy Hill <jhill@huusd.org>
Sent: Thursday, March 25, 2021 1:06 PM
To: Testimony
Cc: MES-Staff; WRN-Staff; FES-Staff; WES-Staff
Subject: VT State Employee Pension Discussion

To the Esteemed Members of our VT Legislature,

It is with great regret that we find ourselves in the position of needing to consider invalidating the retirement agreement that so many VT employees entered into at the beginning of their careers in the service of this great state due to state level decisions to make imprudent, high risk investments with state workers' money over the last decade.

As a result of these imprudent financial decisions, VT workers are being asked to reconsider their career decisions, their retirement plans, and their life choices. As a teacher who has served the children of VT for 17 years, I entered into this work agreement knowing that I would retire under the "Rule of 90", that time when the sum of my years in the field and my age would add up to 90. This Rule of 90 agreement would allow me to retire in 13 years, and, in terms of the time I have left to be a high performing, effective educator, that time period sounds about right to me. Now, under your proposed plan, I would need to work for twenty more years before I can retire. This is not acceptable.

The teaching profession is wonderful and difficult and the aforementioned Rule of 90 adequately supports what a person can give to it in one lifetime while still being effective for students. The pension benefit is one of the main reasons that people choose to go into education. Your proposed change will not only cast doubt in the minds of bright, young, potential VT educators who are considering entering the profession, but it will cause veteran teachers who no longer feel that the pension benefit is worth sticking around for, to leave teaching for other pursuits.

Speaking as just one VT educator, I know I represent many of us who say this proposal punishes hard-working teachers for the State's poorly conceived investment strategies.

Jeremy Hill
Teacher, Mad River Valley Elementary Schools

March 25, 2021

Vermont legislators,

It is critical that Vermont teachers not have their pensions cut. Teaching is a tough profession that requires expensive and extensive training and we all know the salary is not what it should be. Cutting pensions will take away from one of the benefits of becoming a teacher. Picture twenty years from now fewer and fewer educators in our state because hardly anyone can start this career without the guarantee of a safe and stable retirement. Where would that leave us? Not to mention the fact that the pension is a promise to those of us who have decided to dedicate our lives to the education and well-being of Vermont's youth. Keeping the pension promise will benefit not only Vermont teachers but all of us in this state.

Thank you for doing what is right,

Sarah Allen

Grand Isle Elementary Teacher

Mike Ferrant

From: Deb Rickner <Deb.Rickner@mausd.org>
Sent: Thursday, March 25, 2021 12:50 PM
To: Testimony
Subject: Teacher Pensions

It is heartbreaking to know that the Vermont State Legislature is putting so much energy into reconfiguring the State Teachers' Pension fund--based on a shortfall that had nothing to do with the teachers—in a way that negatively impacts present and future employees. This effort simultaneously disrespects teachers who had a contract with the state, and hurts our students, who need an educational system that values its loyal educators.

Instead of focusing on pensions, and how to weaken our educational system even more, the Legislature should be working diligently on a formula that fairly and completely funds every School District in the state. A formula that does not punish districts for not having enough tax base, students or Free and Reduced lunch candidates; a formula that fully supports teachers as they care for and educate our most precious resource: our children.

Especially this year, when everyone should be acutely aware of how much effort the teachers of this state have put in to continue to educate, support, care for and feed our students, any way they can.

And especially this year, when huge amounts of Federal Money are coming into the state to bolster losses because of the Pandemic. Where is all that money going? Why is none of it earmarked to finally fully support the schools and stabilize the pension fund? I have read that New York State and California are balancing their pensions using the federal money they are receiving. Why is Vermont not doing the same? Back in 1987, Governor Madeline Kunin predicted this problem, and created the Foundation Plan. Thirty-plus years later, the plan has never been implemented. Why?

What ever happened to common sense? Solutions can always be found to solve complex problems without negatively impacting the people who are directly affected. Please reverse what you are doing and do the right thing: support your school system, your dedicated teachers and your future: the children.

Deb Mager Rickner

Visual Arts Teacher

Bristol Elementary School

Bristol, Vermont

My trust in the State has been completely shattered by this proposal for the state employee pensions. It is a completely and utterly shameful proposal. I have worked for the State since July of 2012 at 23 years old, straight out of graduate school, after receiving my Master of Science degree. I am in a highly specialized field. I received two years of on the job training before I was even able to fulfill my role and contribute to the state; that is the standard duration for training is for the field I work in. When I signed on in 2012, I was told I would be eligible to retire with my full pension and benefits at the age of 55.

I took this lower paying job with the State of Vermont because the benefits outweighed the fact that my earnings potential was greater elsewhere, and also I am a life-long Vermonter with lots of family support. Even with a higher paid job with the state I would not have been able to succeed here without family help. I do not have any higher up that I can move than my current position unless I become a supervisor. There is only one supervisor for my job, I hold the single position within the state for my particular field. There are only two of us in the entire state qualified for this highly technical specialized position.

The effects of this proposal directly on me:

1. Retirement age goes from 55 to 67.
From 32 years to 44 years of service
12 more years of service
2. I will stop getting step increases at age 51.
15 years without an increase in pay
3. I will stop getting any added benefits to my pension after 35.9 years of service (60% AFC).
8 years with no benefit added to my retirement
4. I will not get COLA's in retirement if the pension does not do well.
5. I will take on added costs during my tenure as an employee at least 1% for the risk-sharing.

I cannot explain how these numbers affect others, but I do know the major impact on me. I took a job with the State of Vermont because of the benefits like the pension. I have NEVER been able to afford a full student loan payment while working for the State; in fact my student loans have ballooned from \$85,000 to over \$100,000 in 8 years because based on my income my payments don't even cover the interest occurred on my loans each month. Student loans that I had to take out to get the job in the field I love. When I qualify for Public Service Loan Forgiveness from the Federal Government (because the State has no programs to help its own employees, whom it requires to have certain educational pre-requisites to apply for positions) I will leave State Employment if the pension changes as proposed by the House Government Operations Committee. I will qualify for student loan forgiveness in 24 months.

The larger impact for the State of Vermont will be a stall in work being performed for my particular job. As it takes two years to fully train someone for my position and only one person has been hired who was already qualified in my position in the last 20 years. Qualified candidates do not apply to Vermont due to the low pay in the State of Vermont compared to other States & Municipalities. Due to the State being unable to attract and hire qualified personnel due to the low pay offered, the benefits are an asset. Remove the current benefits and no qualified applicants will apply and no in-house trained staff will stay

past their training because our skills are portable to other locations and we are in a world where people are highly capable of moving. People will come, train for two years, and then leave for better pay and benefits, just as I will do. This will also remove my supervisor from his duties to train someone as a replacement for my position. Work in my department will effectively shut down for years to come. This is what happens when you only have two people in the whole State qualified for a particularly specialized job.

All State employees have contributed in so many ways in service to the State, taking pay cuts while performing countless tasks, without overtime, without good leave packages, and now we should give up our pensions all for a broken promise. It will be a wonder if anyone will continue working for the State of Vermont when this is the type of sacrifice asked of public servants, teachers, police officers, correctional officers, social workers, scientists and many more.

I am young. I am the type of person that the State has always said they want as a part of the current workforce. I am 32 years old, married, employed since the age of 23, we have one child and are struggling with how to afford a second child with two full time employed parents who were both deemed essential during the pandemic. My department was deemed essential enough to have to report to our worksite throughout the pandemic, but not enough for the State of Vermont to assist with childcare. This proposal to change the pension that we agreed to upon hiring with the State of Vermont is just another kick to our badly battered and broken moral. The depth of hurt and betrayal felt by me and every other State employee has never before been witnessed. My trust has been broken. If this proposal goes forward please understand that you will decimate an already strained system and there will be zero support for those that truly need it.

Thank you for your time.

Kendra Cyr, Bristol VT

An Insult To Teachers and State Employees

Do you use a credit card? Do you responsibly pay off the minimum balance at the end of each month? Most of us at least try and many of us do.

Now imagine that after ten or fifteen years of faithfully paying off the balance of your credit card each month, you receive notice from your credit card company that for the last fifteen years they have not been giving the money you sent them to the businesses where you used your card. They have instead been using it for other purposes; to develop a different branch of their corporation, or to pay off other debts incurred by their corporation, and now they are unable to pay the credit card debt owed to those businesses. The money you gave them for that purpose is gone.

To rectify the situation they are making you responsible for those debts again. So in addition to your monthly bill they are adding a 5% surcharge that you will never recover. Instead, this money will be used to offset the initial irresponsibility and misuse of the funds you have already paid them, for bills you thought were already covered. In addition, they will require you to work with them longer if you want them to honor your contractual agreement with them. A friend of mine recently explained Vermont's retirement fund crisis to me in this way.

If this sounds outrageous to you, it is. If it sounds familiar to you, it is. This is precisely what the state of Vermont has done with the mandatory retirement funds they have drawn out of teachers' and state employees' paychecks every month for years. And now, to fix their error, they simply want to take a greater percentage out of each person's paycheck and increase the retirement eligibility age cover their losses. This money will not be returned to those employees whose checks it was taken from. Instead, it will be used to offset the government's poor management of the retirement funds already collected from teachers and state employees.

The state broke its contract with these teachers and these employees. Why is the onus of fixing the problem placed on the victims of the state's breach of contract?

If Vermont really wants to recruit a highly qualified, diverse pool of teachers, this is not the way to attract them. If Vermont really wants to recruit young people to stay and live and work and support the communities they come from, this is not the way to attract them. If Vermont really wants to recruit dedicated, diverse personnel to serve in government positions, this is not the way to attract them.

If you care about your schools, your teachers, and the people serving you through government, find a different solution.

Respectfully,

Sandra M Mings Lamar

Mike Ferrant

From: Gray, Kathy <Kathy.Gray@vermont.gov>
Sent: Thursday, March 25, 2021 11:25 AM
To: Testimony
Subject: State of Vermont Pension

Good Morning,

I began my employment with the Vermont Judiciary in 1989. I am 62 and my current hourly wage is \$24.16 as the Windsor Probate Court Register. My reason for writing is concerns over the proposed changes to my pension. Each year the Union bargains diligently to provide the employees with a fair Cost of Living Wage and whatever else is being negotiated. These negotiations have often been long and ended up in mediation. Thankfully the BC/BS premium did not increase or the slight COLA would have eaten up the increase. Now on top of these issues I have to worry about potential changes to my retirement.

I urge you to table changes to the pension and attempt to find cuts elsewhere. Are there State buildings that can be sold or rented as many employees, not me, are working from home?

I am seriously considering retiring earlier than expected depending on the changes, if approved, to the pension. I say this with regret as I really enjoy my job but have to watch out for my best interest.

Please think about employees like me who have the dedication and knowledge to represent the State in a professional manner and serve the citizens of Windsor County.

Thank you for your time.

Kathy Gray
Windsor Probate Court Register

Mike Ferrant

From: Damone, Anne <Anne.Damone@vermont.gov>
Sent: Thursday, March 25, 2021 11:03 AM
To: Testimony
Cc: Becca Balint; Emily Long; Jeanette White
Subject: legislation on state employees pension

Good morning. I am writing to express my concern over the gutting of our state employees pension system. I have been a state employee for 20 years as of 10/29/2021. Previously I worked an additional 7 years for the State of Vermont between 1988-1996 which does not count towards my retirement. I came back to work for the State of Vermont in 2001 after working for New Hampshire because I loved the work and I love the people. Both of my parents were born and raised in Vermont. Vermont state employees work hard and with great integrity. Many workers including myself put in many additional hours that we do not ask, nor receive payment for. They are dedicated workers and proud to work for the State as public servants doing the work that you legislate. It concerns me that the very legislators that are proposing new laws and legislation that create additional work for state employees are the very same that feel we get too much benefits for the work we do. I have heard from some of my employees that if this goes through they will be retiring soon, probably before this goes into effect. You may not realize this but many of the state workers work beyond age 62 and beyond their 30 years because they truly love what they do. I am concerned what kind of result this will have on our state employee work force if we have this exodus of employees due to this legislation. Right now I have vacancies in every court but one that I supervise. We have advertised numerous times and people are not applying for the jobs, I'm not sure if that's because the jobs are not attractive because the pay is too low or because of the added federal and state benefits to unemployment during the pandemic. Regardless we are having a very difficult time filling jobs and it will be even worse if this change goes thru. Why? Because the attraction to committing yourself to public service is this - even though you don't get the higher pay, stock options, profit sharing, bonuses that private companies give out, at the end of the day you get job satisfaction, a good pension and insurance. In other words you take less up front for a benefit at the end. This will no longer be true if your legislation goes through. What will be the attraction to get the younger generation to take these low paying jobs and dedicate their life to public service?

I was hired and promised that at the end of my service I would receive a certain amount of pension based on my average of 3 highest years of salary, through this legislation you are taking back that promise and in doing so I have calculated that I will now have to work an additional five years under the new system to get the same benefits I would get under the old system. I kept my part of the agreement, I have been a hard working, dedicated employee to the State of Vermont and its citizens, why shouldn't you keep your promise? Why should I be penalized after 20 years of service and not receive the benefits I was promised when I was hired?

I understand that changes need to be made, I would encourage you to consider making any changes to be effective on any state employee hired after July 1, 2021 and not retroactive to those employees who were promised a certain level of return in order to stop the increased costs we now face. You as legislators are the ones that spent the money that should have been to cover pensions, this is not our problem to pay for, we paid in our money we were asked to pay, our insurance rates have continuously gone up, we have had certain years without raises and without

COLA due to budget cuts, we have lost what used to be certain paid holidays, we have taken many hits. At the end of the day the amount of money that a state employee receives for pension is not a “windfall” by any means, but its ours and we have paid for it and deserve to collect it. If it is true that this could be solved by taxing those in higher income brackets then you should do so, you shouldn’t even be thinking twice about that. Shame on you for picking on state employees whose average salary is \$55,913, which is 9.2 percent lower than the national average. I would remind you that these same employees are also voters and your constituents, they vote in local elections and in state elections, that means they voted for you to fight for their rights in the legislature. As we say in sports...DO YOUR JOB! State employees as dedicated workers, voters and your constituents deserve no less.

Thank you.

*Anne M. Damone
Regional Superior Court Clerk
Windham/Windsor/Orange Counties*

Mike Ferrant

From: Evan Ellerson <ellersone@hartfordschools.net>
Sent: Thursday, March 25, 2021 10:41 AM
To: Testimony
Subject: Proposed loss of retirement funds

As a teacher with 38 years of experience and at age 66, I would like to plan to retire in the next few years. It is exceedingly difficult to determine when that will be possible because I live in a state that underfunded the teacher retirement system and now is expecting me to absorb the underfunding by significantly reducing the benefit that I have been funding on my part. A benefit that has long been part of my careful planning. As a Vermonter I am absolutely stunned and appalled.

Evan Ellerson
Hartford High School.

March 25, 2021

Dear Chair Hanzas and Committee Members:

I understand and appreciate the challenge presented to you as a legislative body, as well as is presented to the public employees and taxpayers of Vermont. While there is a *funding* challenge that must be overcome, I ask as a state employee and taxpayer that you do not overlook your fiduciary responsibility regarding the *performance* issue at hand.

I will leave it to others to examine the merits and hazards of your Committee's pension reform proposals ([linked here](#)) with the exception of a proposed Risk Sharing Contribution, as this component of the plan speaks directly to the relative poor performance of the pension funds' investments, over which public employee participants have no control. I will address both of these points below in reverse order.

The Misplacement of Control-Over>Returns

A Defined Contribution (DC) plan situates longevity and returns risks solely with the participant based on how one may choose to invest their contributions relative to the markets. In contrast, the design of a Defined Benefit (DB) plan pools risks among employee and employer contributions, the inter-generational timing of contributions relative to the longevity of paid benefits, and the fiduciary's management of trust assets relative to the markets.

Whereas DC participation is voluntary and the investment choices reside with the participant, DB participants are legally required to participate in the DB plan pursuant to 3 VSA Sec. 457 (a) - (c) and investments are entirely subject to the fiduciary's management of plan assets. Saddling public employees with a risk sharing fee misplaces the control over returns implicit in a Risk Sharing Contribution. Perhaps most troubling, public employee DB participants have no control over the actuary's assumption of market returns which would serve as the benchmark for "risk sharing".

Poor Portfolio Performance, or How the Fiduciary *Can* Control Returns

While the power of compounding returns is understood and appreciated, has the destructive force of active management and compounding fees been adequately addressed? The Institute for Pension Fund Integrity published a study in August of 2019 ([linked here](#)) that compared state pension funds returns to passive index portfolios using two of Vanguard's total market index funds for stocks and bonds, allocated 60%/40%, respectively. Vermont did not fare well.

Despite Vermont's targeted allocation of 70% Growth Assets and 30% Downturn/Inflation Hedging Assets ([linked here](#)), its pension performance ranked among the 10 worst funds in the country as compared to the returns from a 60%/40% passively managed portfolio. For the period tested, the passive portfolio's returns eclipsed Vermont's curated portfolio by an average of 128.93 bps. A performance shortfall of 128.93 bps when applied against the combined pension systems' assets of \$4.5B is approximately \$58M in lost opportunity (simple returns as of a point in time, not compounded).

A portfolio that includes fees as a percentage of the managed assets, fees specific to its myriad funds, and alternative investment vehicles like private equity funds appears to be a losing strategy. Why not manage the pension trust in the way that Vermont manages its Trust Investment Account *using four passive index funds* ([linked here](#))? Choose to control what *can* be controlled—slash fees and end active management strategies that can't even earn market returns. Match the markets instead, passively and inexpensively.

Sincerely,

Richard Donahey

Mike Ferrant

From: Evan Ellerson <ellersone@hartfordschools.net>
Sent: Thursday, March 25, 2021 10:23 AM
To: Testimony
Subject: Proposed changes to teacher retirement.

It is too late now, at age 66 and near 40 years of service, to go back in time to when I could have invested, what the state deducted from my paycheck, on my own to prepare for retirement. I trusted that we had an agreement and that even if the state underfunded the plan they would ultimately step up and make up for those losses.

Mike Ferrant

From: Evan Ellerson <ellersone@hartfordschools.net>
Sent: Thursday, March 25, 2021 10:17 AM
To: Testimony
Subject: Changes to teacher retirement plans

When two parties enter into a contract and one party does not meet the funding obligation it is unethical to expect the other party to bear the brunt of that incompetence.

March 25, 2021

Dear Members of the **House Government Operations Committee**:

I am the husband of a very dedicated middle school teacher in Williston, and I work at the same school as a Paraeducator. I regret that I am unable to attend your virtual public meetings on March 26th and March 29th regarding the Vermont Teacher's Pension. I wrote to each of you several weeks ago expressing my concern with the direction the State is taking asking Vermont teacher's to shoulder all of the burden of fixing the underfunded pension liability that is through no fault of their own.

I would just like to add the following:

- My teenage daughter hopes to follow her mother's footsteps and become a teacher in Vermont one day, but she now feels as demoralized as I do that Vermont teachers are treated with such a low level of respect and worth to society. Good luck attracting qualified teachers to this state if this is how you will treat them.
- As with many of our country's financial problems, the wealthy are often called upon to "pay their fair share". I know that they are not the answer to all of our fiscal problems. But please stop to consider how many of our wealthy Vermonter's are successful business owners. To have a successful business, you need well-trained workers. Where do you think that training begins? In our elementary, middle and high schools! I submit to you that it is completely fair to ask wealthy business owners to invest in a very important part of the machinery that generates an educated population for them.

It is time to right the wrong that was done to the teaching community when funds were diverted from the Vermont teacher's pension during the 1990's and early 2000's. Please find creative ways to use Covid funding and ask wealthy Vermonters who have benefited from an educated workforce to help fix this problem. Teaching is an incredibly challenging profession. Please don't make it even harder to attract new teachers to Vermont, and please demonstrate a respect for our current teachers that they deserve.

Sincerely,

Ted Milks

Mike Ferrant

From: Brian McDonnell <bmcdonne@bsdvt.org>
Sent: Thursday, March 25, 2021 9:12 AM
To: Testimony; Michael Sirotkin
Subject: Concerning the teacher pensions

Good morning,

I am writing concerning the gutting of the VT teacher's pension.

I am a 30 year old professional that moved to Vermont from Massachusetts. I am at a tipping point in my career, where my partner and I are deciding between staying in Vermont and making our lives and careers here, or moving out of state. If the proposed pension plans are approved, if Vermont teachers are going to be asked to put more money into the system and get less out of it, if cost of living increases are going to be diminished/eliminated, then that makes our decision easy. We will leave Vermont, and contribute to the exodus of educated young adults that are plaguing Vermont's workforce, leaving Vermont's workforce ageing and stagnant. We want to stay, we hope to stay. But if the changes go through, it will not be a smart decision for our family.

Not to brag, but my partner is the ideal example of what Vermont wants to retain. She immigrated to the US with her family at a young age. Her father opened up a small Jewelry business in the Northeast Kingdom that attracts business from NH to Vermont. Her aunt and cousins joined her family in the Northeast Kingdom. All attended Vermont public schools, and one cousin went to Harvard and graduated in astrophysics while working on a team that earned a Nobel Prize. She now works in Philadelphia with an organization aiming to legislatively improve the wage gap for professional women. The other cousin runs summer camps and ski programming in Vermont's growing outdoor industry. Their mom? A teacher in the Vermont Public Schools. Their family also plans to leave the state if these changes are approved.

My partner is a UVM graduate, and despite working in admissions for an international university, she returned to Vermont to earn her MBA and specialize in Human resources while becoming an integral member for one of Vermont's largest utility companies. She is instrumental in advocating for and implementing diversity training and ensuring equitable hiring practices in Burlington. She will also be leaving if these changes go through.

I am a teacher at Burlington High school. Before teaching I worked in a lab developing vaccinations for the US Department of Agriculture and Department of Homeland Security with the mandate to contain the spread of infectious diseases that could decimate our farming system. My partner and I decided to move back to Vermont and I got my Vermont Teaching license. I coach year round- Cross Country, Indoor Track, and Spring Track, as well as teaching Civics, Economics, Public Issues and World affairs, and run an investment club teaching students effective financial literacy skills. In six years of being here, I have coached 9 DI state championship teams (with South Burlington), brought five students to nationals, and helped create a growing track and cross country community in Chittenden county, as well as provided students with long term healthy habits that will improve the health of Vermonters for years to come. If the proposed changes go through, I will not be able to rationalize staying in Vermont, buying a home, and starting our family here.

So, democrats in the state have a choice. They can choose to make up for years of financial mismanagement by gutting the teacher's contracts, or they can look elsewhere for the funds to cover the lost revenue. It needs to be clear that cutting into the teachers funds will come at a cost though. Like the opportunity cost I teach all of my students about, taking from the VT teacher's pension will lead to an aging and expensive workforce that draws high salaries and refuses (or is economically unable to) retire. Those costs need to be considered. You will have to deal with greater 'brain drain' as educated Vermonters choose to move out of state to earn their salary. You will have to pay for the cost of instability and turnover and institutional knowledge leaves, and the cost of training replacements makes the system less effective

and more costly. You will have to pay pensions of qualified teachers that walk away and work for a private corporation at their first chance, while drawing from the pension fund.

The expenses may not appear on your budget sheet, but they are very real, and very significant.

Or, you could Slow Down. Don't pass these changes to the pension. Act how our government was created, and apply the brakes. Projections indicate that there is more than enough money in the coming year, including higher tax revenues and billions of dollars of federal aid. Trust that the stock market will bounce back, and investment returns will increase. Make a long term plan for financial solvency, and don't take the short sighted approach of looking for available funds and taking from the hard working teachers of Vermont.

We need to tackle one crisis at a time. Our current crisis is the global pandemic. And while I realize that it may feel like "time is money," that is not a reason to make these changes now. I understand why you might be focused on the financial long game, but there is another long game to consider: whether teaching in Vermont remains a profession that draws and retains innovative, engaged professionals. Consider if those teachers leave, so will their families. More than anything else, this single resource is the most important one we have. It is already at a tipping point. If these reforms push it over the edge, then the State will have traded the mirage of financial stability for the beating heart of its education system. This would be a disaster.

At the end of the day, a pension is a promise. Keeping promises is the Vermont way. Breaking them is not.

Thank you for your time and care, and for your leadership during this challenging time.

Testimonial for VT Teacher pensions

Brian McDonnell *(he/him)*

Social Studies/Economics Dept.

Coach: XC, Winter and Spring Track

Investment Club advisor

Burlington High School

Mike Ferrant

From: Nicholas Exler <nexler@anwsd.org>
Sent: Thursday, March 25, 2021 9:09 AM
To: Testimony
Subject: Proposed Changes to Teacher Pensions

To Whom it May Concern,

I am deeply concerned about the proposed legislation that will impact teacher pensions.

Teachers are continuously being asked to do more, year after year. This came into focus during the coronavirus epidemic (which is *still happening*). My colleagues and I are doing more work this year than ever before, while putting ourselves at risk. We are not being compensated for our extra time, nor do we expect to.

But the proposed changes would take money from hard working educators and make it much harder for them to retire. **It is a slap in the face.**

We need to work to give educators more money, not less.

If the changes go into effect, I will leave Vermont and/or leave public education. I know many of my peers feel the same way. I deserve to work at a job that will let me retire at a reasonable age. I do not know *any* band directors who work until they are 67. The proposed legislation would strip an entire generation of retirement benefits.

It is insulting.

It is wrong.

I am paying attention, and will not vote for any politician who supports this legislation in any way, shape, or form.

Please, stand with educators.

Sincerely,
Nick Exler

Public Hearing on Vermont State Pension Plan

To members of the House Committee on Government Operations:

I am writing to you to urge you to please vote against the current proposed changes to the Vermont State Pension Plan. A vote against the proposed changes shows your commitment to public education, to our students, to our teachers, and to me and my family.

I have been a public educator for more than ten years and feel incredibly grateful to have found a career that gives me so much purpose. I currently work at Winooski High School. It is a true honor to work with our young people and help them develop as thinkers, writers, and advocates for the world they want to live in. The work is long, and tireless, and as many of you from this past year of remote and hybrid schedules, often quite challenging, but we do it day in and day out because we care so deeply about our students' and their futures.

I am asking you today to demonstrate the same level of commitment that we show to our students to us, their teachers. Opposition to the proposed changes to the pension plans demonstrates your dedication to both our young people, their teachers, and our families. The proposed changes ask us to work longer, to contribute more, and to ultimately receive less financial security. This is a true slap in the face to educators who show up daily for our kids.

In this past year alone, we have donned PPE, we have recorded countless asynchronous videos, and we have redesigned curricula to ensure students can be successful at home or at school. Again and again, you have thanked us for this important work for the youth of Vermont. Yet, these gratitudes are truly just lip-service if you cannot stand by us at this moment in our state's history. Please stand in opposition to the proposed changes to the state pension plan and instead, stand with me and educators across the state as we work for a better future for Vermont's students and families.

Caitlin MacLeod-Bluver
291 Sugar House Way
Moretown, VT 05660

To: Vermont General Assembly

Date: 3/24/2021

From: Matt Cronin / EWSD Employee / Resident of Underhill

Re: Vermont Teachers Pension

I write this letter as a Vermonter, educator, and a family that is relying on our pension for our finalicial future.

I think it is outrageous that Vermont is choosing to push their burden of underfunding teachers pensions onto teachers. Teachers have been paying our share all along, and it is the state which has been mismanaged. Now it is the Vermont teachers - the ones that paid in on time each and every year - that are asked to shoulder the burden of the states in management?

At the very least any chances to the system should be for NEW HIRES only. I am in my 20th year. I have made long term family planning decisions based on my pension, including my children's education. Changing the calculus for members NOW - such as scrapping the rule of 90 for full pension - is reprehensible.

Use Marijuana revenue, tax the super wealthy, tax out of state homes, etc. Find a solution that doesn't throw Vermont teachers under the bus.

We will be watching.

Respectfully,

Matt Cronin
16 Tupper Road
Underhill, Vermont 05489

Mike Ferrant

From: Cara Donohoe <donohoec@hartfordschools.net>
Sent: Thursday, March 25, 2021 7:55 AM
To: Testimony
Subject: Pension Proposal

This is NOT okay!

I don't feel that it's okay to ask us to work longer and get paid less. How was that even brought into account? Where else would that fly in the workforce? NO WHERE!!!!!!!!!!!!!! It's NOT FAIR and it's NOT RIGHT!

I had a long range plan based on the retirement system as it was. I could have retired at 57 and now you are asking me to retire at 67? NO WAY! That is going to lead to BURNOUT and teachers teaching because they have to not because they WANT too. You will get bad teachers teaching WAY LONGER than they should be because they HAVE to to get their full retirement. It's NOT RIGHT!

This is SO BAD for education. And NOT fair to those of us that have planned on our retirement plan already. I only have 12 years left and now you are asking me to teach 22 more years? NOT HAPPENING!!!!!!!!!!!!!! I will NOT stand for it.

And now asking us to average our last 7 years VS our last 3 years.....Are you crazy? We would be working longer and getting paid less? This is not going to benefit anyone especially us! This can't happen and I am not going to stand by and watch it happen. It's NOT FAIR and it's NOT RIGHT!

Cara Donohoe
HMMS PE
21 Years Teaching in State on VT

Mike Ferrant

From: Dorothy Sacca <dsacca@gisu.org>
Sent: Thursday, March 25, 2021 7:47 AM
To: Testimony
Subject: Pension

My name is Dorothy Sacca. I teach at Grand Isle Elementary. I have been a teacher at Grand Isle for 32 years. I have given to my pension for all those years in good faith, planning to retire when I hit the magic "90". I trusted that my pension would be what was promised. Please do not change the pension! The proposals that are being shared show that you do not honor our profession. We have all worked hard, more now than ever. This is a slap in the face.

Please, please do not let this pass.

Dorothy Sacca

WARNING: This message may contain information that is confidential and/or protected under the **Family Education Rights and Privacy Act** or other lawfully recognized privilege. If you have received this message in error or through inappropriate means, please reply to this message to notify the Sender that the message was received by you in error, and then permanently delete this message from all storage media, without forwarding or retaining a copy.

March 25, 2021

Dear Chair Hanzas and Committee Members:

I understand and appreciate the challenge presented to you as a legislative body, as well as is presented to the public employees and taxpayers of Vermont. While there is a *funding* challenge that must be overcome, I ask as a state employee and taxpayer that you do not overlook your fiduciary responsibility regarding the *performance* issue at hand.

I will leave it to others to examine the merits and hazards of your Committee's pension reform proposals ([linked here](#)) with the exception of a proposed Risk Sharing Contribution, as this component of the plan speaks directly to the relative poor performance of the pension funds' investments, over which public employee participants have no control. I will address both of these points below in reverse order.

The Misplacement of Control-Over>Returns

A Defined Contribution (DC) plan situates longevity and returns risks solely with the participant based on how one may choose to invest their contributions relative to the markets. In contrast, the design of a Defined Benefit (DB) plan pools risks among employee and employer contributions, the inter-generational timing of contributions relative to the longevity of paid benefits, and the fiduciary's management of trust assets relative to the markets.

Whereas DC participation is voluntary and the investment choices reside with the participant, DB participants are legally required to participate in the DB plan pursuant to 3 VSA Sec. 457 (a) - (c) and investments are entirely subject to the fiduciary's management of plan assets. Saddling public employees with a risk sharing fee misplaces the control over returns implicit in a Risk Sharing Contribution. Perhaps most troubling, public employee DC participants have no control over the actuary's assumption of market returns which would serve as the benchmark for "risk sharing".

Poor Portfolio Performance, or How the Fiduciary *Can* Control Returns

While the power of compounding returns is understood and appreciated, has the destructive force of active management and compounding fees been adequately addressed? The Institute for Pension Fund Integrity published a study in August of 2019 ([linked here](#)) that compared state pension funds returns to passive index portfolios using two of Vanguard's total market index funds for stocks and bonds, allocated 60%/40%, respectively. Vermont did not fare well.

Despite Vermont's targeted allocation of 70% Growth Assets and 30% Downturn/Inflation Hedging Assets ([linked here](#)), its pension performance ranked among the 10 worst funds in the country as compared to the returns from a 60%/40% passively managed portfolio. For the period tested, the passive portfolio's returns eclipsed Vermont's curated portfolio by an average of 128.93 bps. A performance shortfall of 128.93 bps when applied against the combined pension systems' assets of \$4.5B is approximately \$58M in lost opportunity (simple returns as of a point in time, not compounded).

A portfolio that includes fees as a percentage of the managed assets, fees specific to its myriad funds, and alternative investment vehicles like private equity funds appears to be a losing strategy. Why not manage the pension trust in the way that Vermont manages its Trust Investment Account *using four passive index funds* ([linked here](#))? Choose to control what *can* be controlled—slash fees and end active management strategies that can't even earn market returns. Match the markets instead, passively and inexpensively.

Sincerely,

Richard Donahey

March 24, 2021

Dear Vermont Legislators,

I am writing in response to the proposed changes to the teacher's pension (\$59). I am a school nurse who has served my community for 20+ years. I am 7 years from full retirement. These proposed changes would severely impact my "golden years". I am too far along with my retirement planning to make any changes to compensate for the changes that are being proposed to my pension. The plan to make no changes within 5 years of retirement is too short of a timeframe to an existing retirement plan that has been in the works for my whole working career of 30+ years. The proposed changes are a disgraceful way to thank your teachers for their service.

Sincerely,

Lisa Lones RN, BSN, M ed

Mike Ferrant

From: Sean Nary <snary@anwsd.org>
Sent: Thursday, March 25, 2021 6:28 AM
To: Testimony

Teachers have endured a great deal and poured their hearts and souls into educating VT's youths. They have done this because they love their kids and their jobs. They also endured because they knew there would be a pension waiting for them on the other side. They have made a great many sacrifices to earn that pension and it is just plain cruel to take it away now. Also, you really do not want people teaching for 40+ years with regularity, which is what will happen if the rule of 90 disappears. The best school systems have a balance of old and new teachers - experience and fresh eyes and ideas. Please protect teacher pensions and preserve the balance,

Sean Nary

Proud to be a Vergennes Middle School Mathematics Teacher

--

Sean Nary
Middle School Mathematics Teacher - Vergennes Union High School
Math Rocks.

Mike Ferrant

From: Janet Kepes <jkepes@anwsd.org>
Sent: Thursday, March 25, 2021 4:32 AM
To: Testimony
Subject: Teachers' pensions

Dear House Committee Members,

I am writing to ask you to reconsider the drastic proposal to the pension fund.

It is unfair for people who have served their communities for years and years to have the rules changed at this point in time.

Parts of Vermont already struggle to fill teaching positions. I believe this change will cause a mass exodus of teachers and their positions will remain unfilled.

Vermont should be honoring their teachers for their work, especially in this difficult year. Please reconsider this change.

Janet Kepes
Vergennes Union High School
Vermont educator 1999 - present

Mike Ferrant

From: Choiniere, Joshua <Joshua.Choiniere@vermont.gov>
Sent: Wednesday, March 24, 2021 9:34 PM
To: Testimony
Subject: New pension plan

Thanks for taking the time to read this. I've read over the new proposal for the retirement system. While some aspects I'm ok with such as making folks go 10 years to become fully vested, I cannot fathom having to work 46 years to achieve full retirement in the Department of Corrections. When I started at the age of 20 it was written quite clearly under group F (those hired before July 1, 2008) that I needed to put in 20 years of service working inside of a correctional facility to be eligible for early retirement or 30 years of service to be eligible to full retirement benefits. This would have allowed me to retire at by the age of 51 with 30 years in service. This effectively pulls the rug out of that idea. How do you expect people like myself who would WANT to come work for the state to now have to work at least 46 years to attain retirement? There is basically no incentive for a young Vermonter to join state service at all until after the age of 30. You'll definitely build a case for them to move out of state and find work elsewhere.

The average age of a corrections officer is 58. Even if I'm able to retire at 51 theoretically I've only got 7 years until I'm 6 feet under. Your plans would say ' well atleast you get 7 years off before you die or you can just keep working until you die.' This is not an ideal nor acceptable solution to the problem that had been created decades ago. I do thank you for undertaking this challenge but there has to be a better way. Josh Choiniere

Mike Ferrant

From: Daryl Kuhn <dlwkuhn63@gmail.com>
Sent: Wednesday, March 24, 2021 9:12 PM
To: Testimony
Subject: teacher pension concerns

To The House of Representatives Government Operations Committee

I am writing to ask for your support to have the state maintain the teacher retirement fund and not make changes that will diminish the quality of life so many of us have worked toward, as we dedicated years of service to students and families. I am a veteran teacher of 31 years who is nearing retirement. There have been changes over the years that I have had to account for, but have been careful to plan with the VT teacher retirement plan in mind. To make changes now would alter many teachers' retirement plans, possibly making it impossible to retire for many more years. It is not right to diminish the pensions of the people who have served the youth and worked hard to improve our society. We now teach in a world where we have to prepare students for lockdowns, work virtually through a pandemic and in person without vaccines. Additionally, teachers retiring help keep district payrolls down (which can be passed onto tax payers), and open jobs to young professionals the state is trying to retain in the workforce. Please give teachers the respect they deserve by preserving the pension plan and not allowing the state to slash benefits and hike cuts.

Thank you for your time.

Daryl Kuhn

Burlington School District Employee

dlwkuhn63@gmail.com
567 Route 2
South Hero, Vermont 05486

To Whom It May Concern:

I am writing to share my testimony on the proposed changes to the public employee pension system. I intend to testify live on Monday, although I will be receiving my second Pfizer dose on Sunday. Fingers crossed.

I have been an educator in Vermont for nearly 20 years, and a licensed teacher for 11 years. Like many of my colleagues, I've considered changing careers. It's hard to overstate the stress, which seems to increase every year. As you know, schools have become the holistic safety net for an ever-increasing number of our most marginalized kids and families. Every inequity in society shows up in schools, and these have only increased due to the pandemic.

I've stayed in the profession because of my passion for teaching and learning -- but that passion is not enough to slog through the next few decades as a martyr. My current salary and benefits are reasonable, but the current proposal coming out of the House Committee on Government Operations effectively gut my ability to retire with dignity. The proposal includes significantly increased contribution rates, lowered retirement benefits, and a major shift in cost-of-living adjustments for teachers when they retire. The proposal regressively shifts the burden from the State--which is responsible for its pensions--to the people themselves who should be receiving those benefits.

As a Civics teacher who also holds a Language Arts license, I understand that discourse about policy should remain rational, reasonable, measured. The fact is, however, that I am heartbroken. The current proposal breaks a promise. I have paid every cent into the pension system I have been asked to pay, even as my health care costs have skyrocketed, even as the challenges of swimming upstream against epidemic poverty and trauma--let alone a medical pandemic--has upended public schools. If the State has chronically underfunded the system, then the solution lies with the State.

My message to you is simple. Please apply the brakes to this process. Slow down. Projections indicate that there is more than enough money in the coming year, including higher tax revenues and billions of dollars of federal aid. We need to tackle one crisis at a time. Our current crisis is the global pandemic. And while I realize that it may feel like "time is money," that is not a reason to make these changes now. I understand why you might be focused on the financial long game, but there is another long game to consider: whether teaching in Vermont remains a profession that draws and retains innovative, engaged professionals. More than anything else, this single resource is the most important one we have. It is already at a tipping point. If these reforms push it over the edge, then the State will have traded the mirage of financial stability for the beating heart of its education system. This would be a disaster.

At the end of the day, a pension is a promise. Keeping promises is the Vermont way. Breaking them is not.

Thank you for your time and care, and for your leadership during this challenging time.

Dov Stucker,
Burlington, VT

Mike Ferrant

From: clamjam22 <clamjam22@gmail.com>
Sent: Wednesday, March 24, 2021 6:31 PM
To: Testimony
Subject: VT Pensions

Dear General Assembly:

I, Clancy DeSmet, am a vested member of the VT retirement system. I attended Vermont Law School, worked for the City of Montpelier, and for the State of Vermont as a District Environmental Coordinator for Act 250. I also served as a VSEA Council Member, and I'm astonished at the proposal on the table regarding VT pensions. Wages in VT are low, the cost of living is high, and in 2017 I left VT for better opportunities.

And, I have a right to my pension, and it's really astonishing that the Democratic-led General Assembly is stealing money from the state workforce and retirees. Shameful. Who's side are you on? State employees who already have 30 years of service are retiring left and right, and now you want to increase employee contributions and remove COLA raises after we retire. Now we have to work longer! I'll ask again. Who's side are you on? Maybe I should rollover my pension into another system.

The General Assembly has a duty to its people and its state employees.

Sincerely,

Clancy

Clancy DeSmet
1326 Fernwood Drive
McKinleyville, CA 95519
802 282 2106

Dear State Legislatures,

Please reconsider the proposed changes to the State pension system. There are many I do not agree with, but the one most concerning to me is the age of retirement eligibility. This change would have a dramatic effect on all of us. You would be pushing everyone in the system retirement age back, a minimum of 2 years and some as many as 12 years. This is a significant change for people who have worked hard to prepare for their retirement, many of us have been planning and saving diligently with the promise of retiring at a certain age.

This change also impacts the entire educational system. First, communities would have to carry the burden of the highest paid staff staying in the system longer. Next, when we are allowed to retire we will actually be receiving higher pensions due to more years of service. Third, with teachers staying in the system longer there will be less opportunity for younger people to enter the profession and less incentive to stay in Vermont. Finally, consider the teacher who started at age 22. They would need to work for 45 years to earn their retirement. Imagine how the professional has changed in 45 years, will they still be relevant and effective with their students.

This change would seriously impact our educational community, students and local communities. Please consider removing this from the proposed changes.

Thank you for your time,
Toni Zimmerman

Mike Ferrant

From: Jennifer Zoller <jen.zoller@gmail.com>
Sent: Wednesday, March 24, 2021 4:32 PM
To: Testimony
Subject: Vermont State Pension Plan Testimony

I am a State worker and have been for 5 years. In addition to my normal job duties at the Health Department, for the past year I have been responding to the COVID-19 pandemic as a contact tracer.

I have been working evenings, weekends, holidays, overtime - all at great cost to my personal wellness. During this time, a time when my coworkers have been going above and beyond for our community - you have been meeting to chip away at our benefits and pay. It is clear that you know this is wrong, or you wouldn't be doing this behind closed doors and so far from an election.

Additionally to working for the State, I grew up here and went to college and grad school here. I own a home, pay taxes and spend my money here in Vermont. You are making it impossible for me to stay in my home state and survive. You are squeezing me, and many others just like me, out of my home state.

How do you justify pushing so many people out of State work when you are pushing to get young professionals to move to this state?

We have been committing all of our time, energy and ability to protect the people of this state, often at great cost to our own health, and you are thanking us by stripping away our pay, benefits and retirement. I chose to testify to let you know that I am ashamed of this Legislature and my memory is not short.

Jen Zoller

She/Her(s)

Vermont Legislature,

I am writing to you today with the hope that I can provide you with a lifelong teacher's perspective when it comes to the pension issue being taken up in the Vermont Legislature and Treasurer's Office. I've been teaching science in the state of Vermont since 2004, 15 of those years right here in Colchester. I love it here (living and teaching), I love what I do, and will likely never leave. When I started teaching I knew the salary and benefits weren't going to be able to come close to what people in the private sector can expect, but for 17 years I have been operating under the plan that when my years of service and age added together equal ninety, I will be eligible to start pulling from my pension that I have dutifully fulfilled from my end every paycheck. Unfortunately, the state of Vermont neglected their end of the bargain. I was able to retire around 57 years of age after 34 years of teaching public school with the rule of ninety. 34 years of public service is an incredible amount of time working with our youth.

I am in the last half of my career and because the state has mismanaged my pension fund I am looking at **seven to ten** more years of working, having to contribute more money, getting less money in return, and no cost of living increase because of chronic taking from and underfunding our pensions!

The state (you) laid out a pension plan, I subscribed to it because I don't have the option not to, the state (you) took my money, mismanaged it and now I'm being held responsible for your mismanagement. Please consider making reparations to the pension fund that has been shredded on your end for decades and making those of us who have been serving our communities for decades whole. If you want to make changes, create another pension group and wave goodbye to all the young teachers in the state. **Alternatively, let me opt out with my contributions and manage my own retirement fund. Cut me a check for what I've put in and let me invest on my own.** I will be able to make more money and retire earlier than this new plan would allow. Us educators are now in a hostage situation with this proposal.

Also, think about how this affects students. Colchester high school is filled with amazing young educators at the current moment. However, this profession is extremely difficult on many levels which certainly takes its toll on teachers. Teacher burnout is real. Forcing teachers to teach well into their sixties is a recipe for poor quality education for the students. There comes a time when all teachers should step aside and let new blood take over the classroom... this is well before being 65-67 years of age.

Taking away a chunk of our promised benefit this far into my career is unethical to the highest degree. To those of you who are legislators, please don't let this plan be forced on Vermont's teachers. The Treasurer's Office won't listen to me but they have to listen to you. To say that this is a slap in the face of every public educator is an understatement. The frustration

level is through the roof and we will not stand idly by and let the state screw our pensions again.
Please make this right

Feeling frustrated and under appreciated,

Dusty Scheuch

Colchester High School Teacher and Resident

In reviewing the proposal for dealing with the effects of gross mismanagement of the state's pension funds (we are ranked in the bottom 10 of government pension for performance!), I find the proposal to make eligibility for the pension tied to full retirement age (67) completely unfair and a real slap in the face to all state employees and particularly those who have worked for nearly 20 years with the expectation of being able to retire after 30 years of service. As an employee in IT, I could have worked for a private company all these years and could be making much more than I am now...but the retirement plan was a real benefit and have kept me a loyal employee. Having to work an additional 19 years to finally be able to earn the pension rather than the 11 I need to currently is heartbreaking and, honestly, I will likely quit my job. I was actually planning to buy out my last 5 years of eligibility, so I was really looking at retiring in 6 years...so now I am looking at an additional 13.

Already, even before this proposal, I know of dozens of longtime employees who have already retired...and I suspect dozens more in my agency will put in their papers in the next week. I hope you and your colleagues will understand that the state employees did not create the mess we are in. The persons managing these funds should be fired and perhaps sued for negligence. While the stock market has boomed over the past 14 years, what have our pension funds done?

Personally, I am ok with some of the changes – the changes to the COLA I get. Adjusting the number of years from 3 to 7 for figuring average final compensation, I can live with. But changing the term of service from 30 years to age 67 is beyond reasonable.

Instituting these changes will lead to a mass exodus of experienced state employees...and not only those of retirement age. They will also demoralize those state employees who will now consider themselves stuck in their jobs with nowhere else to go after having put in so many years. Please keep these points in mind when discussing and voting on this proposal.

Sadly,

Jason Boyd

Northfield, VT

To the 2020 Vermont State Legislature:

Sixteen years ago, when I switched careers from being an IBM electrical engineer and computer chip designer to a science teacher, I took a huge pay cut of more than 50%. But I have always wanted to teach children so I was not dissuaded by the low pay that teachers receive. I was somewhat relieved that the state made me a promise that both I and the state government would put money into my retirement plan. Now, after all those years of fulfilling my side of the bargain, the state wants to change the deal. This is completely unfair to all of us who have been paying into the system for years and it breaks the promise that the State of Vermont made to all of us.

I hope that you will carefully deliberate over the right path that will honor the hardworking teachers in Vermont so that we may live our retirement years in dignity. Don't penalize those of us who have worked so hard to educate Vermont children, improve our communities, and dutifully paid our taxes all these years. After all, I have held up my end of the bargain. It's time for you to make sure that the legislature finds a process that meets the obligation to teachers and properly demonstrate to everyone how much this state values its teachers and state employees.

If the legislature cuts benefits and transfers the burden onto teachers, it will send a clear message to everyone that Vermont does not value its educators. If you wish to have a vibrant economy, retain young people in the state, and attract the best professional teachers, then you must demonstrate that Vermont is dedicated to our educators and cares about their quality of life in retirement. If you fail in that responsibility, you will make it impossible for school districts to recruit and engage quality teachers, leading to a degradation in the quality of education in this state. I have worked hard to be the best teacher I can be and I know exactly the legacy I will leave to the educational community of this state when I retire. I implore you to carefully consider what legacy you will leave for the same community and all the communities of Vermont.

Thank you,
Jennifer Liguori
Science Teacher

Mike Ferrant

From: Kathleen Donohue <kdonohue@cvsdvt.org>
Sent: Wednesday, March 24, 2021 2:36 PM
To: Testimony
Subject: Teacher pensions

Hello-

I am writing to ask that you do **not** take away from or reduce the pension benefit of teachers. We have earned modest salaries over the course of our teaching careers with the understanding that pensions would help us in our retirement. It seems ethically unsound practice that the state government would undo that agreement. It is a promise made after negotiations between the union and the state government. It is the responsibility of our governing bodies to be good stewards of the agreed upon pension funds. If funds are mismanaged or run short, we depend on the innovative and trusted leadership of the government officials to rectify the situation without going back on that agreement.

We teach students to be responsible, honest, trustworthy and community minded. We expect nothing less of our leaders in Montpelier.

Thank you so much for your careful attention to this most important matter.

Sincerely,
Kathleen Donohue

Attn: VT State Legislature,

I am writing to address my concerns about altering our teacher's retirement. I am set to retire in just over 4 years. I moved out of Vermont after graduating from UVM to start my career as a Speech/Language Pathologist, then moved back home (VT) after 7 years. Once back, I invested out-of-pocket money to buy back my out of state time, so that I could retire at 58. In addition, I have recently purchased 2 years of my military time and .5 years of "air time" so that I could reach the goal that I have been working towards for the past 19 years. Now that I am so close to retirement, I am being told that much of what I have been promised is up for negotiation? How is that possible??? I have been so diligent at saving so that I could afford to purchase those years (which was not always easy as I was a single mother of two for the majority of my career) and retire on my timeline. I have worked closely with the Vermont Teacher's Retirement office to make sure that all my ducks were in a row, and was assured by them that I would be all set to receive 'X' amount upon retiring. I am now being told that due to mismanagement of funds on the State's part, I may need to pay even more and get less than what I have been promised. What?! I have paid my share and my agreed upon amounts! I have done everything that has been asked of me, but now I may have to work longer, pay more than my share, and not receive COLA? I have upheld my part of the bargain, now it is time for the State to figure out how to uphold their end of the bargain WITHOUT taking more from teachers! Teachers should not be penalized because the state underfunded our pensions!

Please consider options other than what Treasurer Pierce has proposed as a contract is a contract and we have upheld our part!

Sincerely,
Holly Carroll, M.S., CCC/SLP
North Montpelier, VT

Dear Legislators,

I am writing today to urge you to stop the movement to reduce teachers' pensions and benefits. I am a sixty-one year old teacher, who has contributed into the system for all of my professional life. I am now approaching retirement age, and I feel as though the rules are being changed in an instant. I have saved and made plans around having the benefits that were quoted. I understand that poor decisions were made in earlier decades; however, during those years, I continued to contribute my share. I must say that this feels especially harsh at this time. As a cancer survivor in her sixties, I walk into a building to provide in-person instruction to students each day. So I experience fear and risk in my present life. To be told that my future life and security is also in jeopardy is frustrating and demoralizing.

I urge you to slow this process down and to be more creative and thoughtful. Phil Scott's insistence on not raising revenues is short-sighted. Please be sure that all options are considered to help Vermont keep its commitments.

Lynne Hefferon

268 Plains Rd.

Jericho, VT

hefferon10@comcast.net

Mike Ferrant

From: Laurie Given <lgiven@wsesdvt.org>
Sent: Wednesday, March 24, 2021 12:11 PM
To: Testimony
Subject: Pension

Without pensions many people can't make it on just social security

Mike Ferrant

From: Bryan Hirschman <bhirschman@ewsd.org>
Sent: Wednesday, March 24, 2021 12:04 PM
To: Testimony
Subject: Teacher Retirement

Twenty years ago, when I began a teaching career, I was made aware of my pension. I stayed in a career of public service, when other options were available. Part of the reason I continued to serve Vermont families was because of the promises made to me by the state of Vermont. I always knew upon retirement, when my age and years of service equaled 90, that my state pension would be there and with little change. Had I known that my pension was essentially a gamble and not an absolute, I would have switched to working in the private sector with matching 401(k) contributions and investment growth over all of these years. Unfortunately, it is too late for me to change now.

Changing the program so drastically with 10 years left toward retirement (I will be 50 in July) is very disheartening. Teachers prior to me were on previous plans and were grandfathered in. Is this not an option? If you want to make changes, the decisions should affect new teachers, who have the opportunity to consider alternative career pathways, and know exactly what their pension would look like upon retiring. To change the requirements and benefits now is unreasonable and extremely disappointing.

Please reconsider the proposed changes and let's look for other creative ways to fund the Teachers Retirement System.

Sincerely,

Bryan Hirschman

CONFIDENTIAL COMMUNICATION. THIS MESSAGE MAY NOT BE FORWARDED.

The information contained in this communication, including any attachments, is confidential, constitutes privileged communication, and is intended only for the use of the addressee. This message may not be forwarded without prior consent from the sender. The information in this e-mail is also protected by the rights afforded under Family Educational Rights and Privacy Act (FERPA) and school district policies. Any unauthorized use, forwarding, distribution, disclosure, printing or copying is strictly prohibited and may be unlawful. If you have received this communication in error, please notify us immediately at 802-857-7777 or return e-mail, and delete any copies of this message immediately. Any inadvertent disclosure of this communication shall not compromise the confidential nature of the communication.

Mike Ferrant

From: Art Pellerin <apellerin@myfairpoint.net>
Sent: Wednesday, March 24, 2021 11:25 AM
To: Testimony
Subject: Teacher pensions

Hello:

I have served as a teacher at Essex High School since the early 1990's. As such, I am now nearing the end of my career. I remember the first time that teachers were asked to address the funding issues of the pension, largely caused by the legislature under-funding the pension program for a number of years previous. I was in mid-career at that point and watched as access to a full pension changed from 30 years of service to the rule of 90. This meant an additional 3 years added to my career. I did not mind this, as the health of the pension fund was critical to me. I also watched my personal contribution rate increase. I also did not mind this, as a secure pension fund was worth this cost.

However, I now find myself with little time to adjust, and am greatly concerned about the future of the system. I have made my financial plans that have me in a position to retire in the near future. Because of the those plans, I have made certain decisions that cannot be undone at this point. So, I am gravely concerned that changes to the system will be made that will have a serious impact on my future financial security.

I appreciate that the system has funding challenges that must be addressed. Frankly, I understand that our contribution amounts likely need to increase. What most concerns me is the possibility that in the 11th hour of my career, my pension amount will be decreased. I further fear that the COLA that I planned for in my retirement could also be sacrificed. Over a 30 year retirement, the loss of the COLA could effectively cut a teacher's pension in half. Depending on the inflation rates going forward, this could place teachers in serious financial hardship.

I hope that as you make these decisions that two considerations are made. First, similar to the actions taken last time that the pension program was adjusted, I hope that you take into account that teachers who are at or near the end of their careers do not have time to adjust their personal savings. Like last time, I hope that any changes you make do NOT impact them (and me). Further, I hope that you do everything possible to preserve COLA. Even a provision that provides for a COLA if inflation is above a certain level, would be helpful. If we continue at 2-3% inflation for years then losing COLA will hurt. If we were to find ourselves with inflation rates above those numbers then the impact to retirees could be crippling. Economist forecasts suggest that this (higher inflation rate) is a real possibility going forward. I am old enough to recall inflation rates above 10%. Please consider that, and the impact this could have, on teachers in retirement.

As I stated earlier, I expect that teachers will need to share in solving the funding issues (through a higher contribution rate). However, I hope you look at other funding options as part of this solution.

Art Pellerin

Mike Ferrant

From: Karen Jeffrey <kjeffrey1010@gmail.com>
Sent: Wednesday, March 24, 2021 10:58 AM
To: Testimony
Subject: teachers' retirement plan

Good morning,

For 18 years I have taught in the state Vermont and contributed to the retirement system which was not a choice on my part. Money has been taken from my hard earned paycheck to contribute to the retirement fund. I have responsibly contributed to my own private retirement as well. If the state was not going to follow through on providing me with my deserved retirement then they NEVER should have been forcibly taking my own money from me. After all, without the forced contributions I could have taken that money and invested even more myself. But now the solution to a lack of funds is that I should be forced to pay even more and have to work longer to access the money? That would be unacceptable under normal circumstances but to propose this when teachers have been working full time in person in the midst of a pandemic is simply disgraceful. I expect the state to follow through on its commitment or return every dime of my money. What a sad state of affairs that teachers are being made to bail the state out while nothing is being expected of the wealthy. Shame on Vermont.

Mike Ferrant

From: Charlene Webster <cbwebster56@yahoo.com>
Sent: Wednesday, March 24, 2021 7:59 AM
To: Testimony
Subject: testimony on pension
Attachments: Pension Letter.docx

To Whom It May Concern:

I have attached a testimony for the pension hearings for you to use, or not. Thank you for your hard work on this critical matter.

Charlene Webster, Retired Teacher
Arlington, VT

Mike Ferrant

From: Joseph Modry <jmodry@ossu.org>
Sent: Tuesday, March 23, 2021 7:00 PM
To: Testimony
Subject: Public employee pension system reform comment

As a high school teacher in Hardwick with 27 years of experience, I have a large interest in the future of the pension system.

I understand that the present system is broken and requires shoring up. The bottom line to solve this problem requires lower benefits, higher contributions, and new revenue sources moving forward. You know that.

My input is in regard to whose benefits will be reduced. Discussions I have heard hold harmless the people who have already retired. I understand that their incomes are "fixed" to an extent, but please remember that those retirees are the ones who have bankrupted the system by paying in too little and collecting too many benefits. I encourage a remedy that levels the solution over as wide a group as possible, including those who are already retired.

Best, Jay M

Hazen Union Science

---This message was sent by a Hazen Teacher---

OSSU - Cultivating Learner Agency through Reflective Practice

This email may contain information protected under the Family Educational Rights and Privacy Act (FERPA) or the Health Insurance Portability and Accountability Act (HIPAA). If this email contains confidential and/or privileged health or student information and you are not entitled to access such information under FERPA or HIPAA, federal regulations require that you destroy this email without reviewing it.

If you receive this message in error or through inappropriate means, please reply to this message to notify the sender that the message was received by you in error, and then permanently delete this message from all storage media, without forwarding to anyone or retaining a copy.

To the 2020 Vermont State Legislature:

Twenty-five years ago, when I switched careers from the technology sector to teaching, the state made me a promise that both I and the state government would put money into my retirement plan. Now, after all those years of fulfilling my side of the bargain, the state wants to change the deal. I have about ten years left before I can retire: not close enough to probably be considered in any grandfather clauses; too close to effectively change my retirement plans to compensate for the suggestions given by the State Treasurer.

I implore you, as representatives of thousands of teachers in this state, to carefully deliberate over the right path that will honor the hardworking teachers in Vermont so that we may live our retirement years in dignity. Don't penalize those of us who have worked so hard to educate Vermont children, improve our communities, and dutifully paid our taxes all these years. After all, I have held up my end of the bargain. It's time for you to make sure that the legislature finds a process that meets the obligations to teachers while responsibly balancing the budget; taking the time to consider ALL possible solutions and properly demonstrate to everyone how much this state values its teachers and state employees.

This question is not just about money. It's not about cutting. It is nothing less than the future of the quality of education in the State of Vermont. If the legislature cuts benefits and transfers the burden onto teachers, it will send a clear message to everyone that Vermont does not value its educators. If you wish to have a vibrant economy, retain young people in the state, and attract the best professional teachers, then you must demonstrate that Vermont is dedicated to our educators and cares about their quality of life in retirement. If you fail in that responsibility, you will make it impossible for school districts to recruit and engage quality teachers, leading to a degradation in the quality of education in this state.

I have given this profession my all and know exactly the legacy I will leave to the educational community of this state when I retire. I implore you to carefully consider what legacy you will leave for the same community and all the communities of Vermont.

Jim Dirmaier
2020 UVM EWSD Technical Center Teacher of the Year

Mike Ferrant

From: Bette Nunez <bette.nunez@oesu.org>
Sent: Tuesday, March 23, 2021 6:14 PM
To: Testimony
Subject: Retirement Letter

Hello! My name is Bette Nunez. I have been a Vermont teacher since 1984(37 years). I began in a small three room schoolhouse in Pawlet, Vermont. I stayed there for 4 years. I then took two years off to raise children. In 1989, I began teaching Kindergarten at the Thetford Elementary School in Thetford, Vermont, and I am still teaching in the most wonderful school and community. I have contributed to my retirement all of these years(35) and I am currently eligible for retirement under the 90 rule but I do not want to retire just yet. I am completely alarmed and disheartened by the current events around teacher retirement. I do not support the proposals presented and I hope you as a legislative board make changes that do not impact the Vermont teachers that continue to give children of your state an education. You made a promise to your educators and we as teachers gave to this government system. Please do not take it away. Thank you for listening.

Sincerely,
Bette Nunez

March 23, 2021

I began teaching in the fall of 1990 at the Brookfield Elementary School. At that time, I was made aware that a portion of my salary would automatically be deducted and put into the teachers' retirement pension, which would help fund my own retirement (which was a long time away at that juncture of my life). Being young with no children, I could not picture myself retired but was thankful that one of the benefits of being a public employee was receiving a pension (as well as top notch health insurance...but that's another story).

Fast forward a number of years. I was now teaching at the Moretown Elementary School. Retirement was still not even close to the forefront of my brain. Until...what I was promised when I began teaching was no longer guaranteed. The pension fund was underfunded and needed a financial boost. That came at a cost to teachers. Teachers no longer could retire after 30 years of service; they were now expected to adhere to the rule of 90: add your years of service with your age. When you reach 90, you can retire. In addition, a larger percentage of my salary was directed into the pension fund. The compromise was health insurance benefits for me **and** my spouse upon retirement.

Now here we are...I have taught for 31 years and retirement is near. However, once again, the pension fund needs a boost and some of the options include getting that boost from

teachers. Teachers should not carry the burden of rescuing the fund. We have been paying into the system; no choice. We have satisfied our end of the agreed upon contract. We have already compromised in the past. It is now time for the state to find other sources of money to fund our pension.

As I stated in my opening, teaching was the profession that I chose. I chose to receive a salary that is comparatively lower to other professions because I would have high quality health insurance and a pension. Salaries for teachers, compared to other professions, continue to lag behind. Health insurance is more costly for teachers and the pension system is in turmoil. Vermont is going to have a hard time attracting and keeping high quality and dedicated educators if these three conditions are not dealt with now.

You have an opportunity to settle the pension issue using one time funds and finding a source, other than teachers, to continue to fund our pension. I hope you do so.

Sincerely,
Karen Cingiser
Warren, Vermont

Mike Ferrant

From: Terry Melancon <tmelancon1948@gmail.com>
Sent: Tuesday, March 23, 2021 5:17 PM
To: Testimony
Subject: Teacher pensions

I worked hard for 25 years teaching Vermont students. I loved teaching our children and continue to support the education process. I am now retired and depend on the pension I earned for those years. Without this security my lifestyle will diminish considerably. Please fund the retired teachers fund as it was originally set up without taking away from those who gave so unselfishly to teach the children of Vermont.

Sincerely,

Theresa Melancon

Retiree from Windsor School System

Mike Ferrant

From: Christa Duthie-Fox <cduthie-fox@cvsdvt.org>
Sent: Tuesday, March 23, 2021 5:00 PM
To: Testimony
Subject: How your decision about teacher pensions impact me.

See the attached letter I sent to Charlotte Representative Mike Yantachka in early February. Since that time, I have been sending emails regularly to our State Representatives to make it known that I am depending on what I was promised as a teacher pension.

I retire at the end of this school year; one most educators would agree has been THE most challenging teaching year EVER. If educators are indeed valued for what we do, then why would you do something that would jeopardize their financial well-being? This, to correct an absence of allocations for the teacher pension fund that was decided, not by the stakeholders, but by those who we elect to "have our backs"...

The letter I sent to Mike is attached, but I will go on record saying that if I retire with less than what I was promised when I began my teaching career, I will know that people in positions of power truly do have the right to take something away, just because "they can", and "they did"...

Sincerely,

Christa

[Letter to Representative Mike Yantachka](#)

Mike Ferrant

From: Jim Haddad <brewbrau@aol.com>
Sent: Friday, March 26, 2021 9:10 AM
To: Mike Ferrant
Cc: jonlavallevt@gmail.com; haddad.jamesen@gmail.com
Subject: [External] Re: Information on the Public Hearing this Friday

[External]

something has come up that will prevent my Zoom participation.
the long and short of my remarks would be why did the state take so long to even consider addressing the funding problem? I can't think of any business today that still offers a defined benefit plan. These traditional type pension plans were being phased out in favor of a defined contribution plan 30-40 years ago. Some like Vermont Federal Bank and IBM, "cashed" out the participants balances to deposit into a 401k retirement plan. Other businesses like Green Mountain Power and CVPS used a cutoff date where vested participants kept a defined benefit plan while new employees were offered a defined contribution plan. These tough decisions were made to enhance profitability or even stave off bankruptcy. Its well past the time that the State of Vermont and the legislature own up to their fiscal responsibility to taxpayers and convert to a defined contribution plan.

Jim Haddad, CPA
huntington, vermont

-----Original Message-----

From: Mike Ferrant <MFerrant@leg.state.vt.us>
Sent: Thu, Mar 25, 2021 3:33 pm
Subject: Information on the Public Hearing this Friday

Thank you for registering for the Public Hearing on Friday, March 26, 2021. You will receive a Zoom link on Friday at 3:00pm and be able to join the meeting at 3:30pm. Please prepare your remarks, as the time for each person has been adjusted to 2 minutes. Please rename yourself after entering the meeting, so staff can identify you appropriately and ensure your voice is heard.

You may submit written testimony as well.

Mike Ferrant

Director
Office of Legislative Operations
Vermont General Assembly
mferrant@leg.state.vt.us

This message has originated from an **External Source**. Please use caution when opening attachments, clicking links, or responding to this email.

Mike Ferrant

From: Chris Murphy <chris.murphy.vt@gmail.com>
Sent: Friday, March 26, 2021 9:14 PM
To: Testimony
Subject: State Pension Plan

The HGO's pension plan is framed as a path to solvency, but the effect is one of cheating long-time employees out of accessing the pension they were promised when hired. Nobody can realistically expect correctional officers to keep staffing jails until their 67th birthdays. Or social workers to keep entering homes to confront child abuse until they are 67 years old. Or VVH nurses to keep lifting and changing elderly patients. Or elementary teachers to keep wrangling classes of excited children. Or AOT drivers to keep plowing our roads during 4:00am snowstorms, at age 67. And so, the result of this plan will be that these life-long public servants will, by necessity, be forced from their jobs, and forego the security and stability they thought they were working toward. This is the real effect of the plan, and someone ought to have the integrity to acknowledge it.

I am a Vermonter by *choice*, and I have always taken pride in doing my part to make Vermont as good as it can be. I hold a core belief that we are all in this together; not just as Vermonters, but particularly those of us in State government—be it Executive, Legislative, or Judicial branches. As such, for our Representatives in the Vermont House to be considering gutting the State pension plan, as proposed, is nothing short of treacherous. I understand that there are different ways to view the role of government in our lives, but a pension-slashing action such as the HGO is proposing goes beyond politics. It is cruel. And it does not serve our state or its citizens.

On Friday, Rep. Cina's amendment was voted down; many who voted against it cited that insufficient time was given for its consideration. And yet this entire process is marked by the same haste. The proposed plan has massive financial implications for thousands of Vermonters, and there have been minimal long-range analyses, testimony, or time to gauge public opinion. Please take the time to be thoughtful and thorough in your approach to this problem. Consider all avenues. And please do not break the backs of working Vermonters, to fix a problem not of their creation.

Sincerely,

Christopher B. Murphy

Bennington

State employee since 2003

Mike Ferrant

From: Diane Decoteau <diane.decoteau50@icloud.com>
Sent: Friday, March 26, 2021 9:23 PM
To: Testimony
Subject: VT State employees comments on proposed changes to plan

Liars, cheaters and thieves! I have worked for the state of Vermont for almost 33 years all of it at the department of motor vehicles. Where we have never ever had enough staff to perform the most basic of customer services. And after almost 33 years working for state government at the end of January I finally reached a step 11, I have missed numerous steps been cheated out of cost-of-living increases where we only got a partial increase when it was a 5% spread out over a 3 year period. Endured when the state decided to pay us twice a month on the first and the 15th with wildly different amounts for at least a year, to save the state money. Not the employees. Which put most workers on the verge of default on bills, and numerous other insults and injuries to be further abused by the proposed changes to the retirement system. The proposal that the treasurers office submitted was indeed horrible but it was done with the help of people called actuaries who actually know about the numbers as that's their job. From what I've seen from the legislature, they made her proposal look like we won the lottery. The fund has been borrowed from and has been and continues to be mismanaged, how in hell could it be performing so poorly and no one made any comment until it was projected to be in error for almost 90 million dollars? That had to have taken quite some time to get that bad. Where is the oversight? Who's accountable? Can I please fire those responsible and replace them with a crew of circus clowns? And the expectation from the State's side is to have the employees bear the burden to fund the shortfall? I have to say no thank you as both proposals are horrible, as you're changing the agreed to rules and conditions. Which is not ok and is not acceptable! I worked for low pay with a skeleton crew of coworkers to now have you put the screws to me? And say thank you for kindness? And my choices are to stay and see what horrible awful things you plan to do or leave before I will have to work for longer AND get thousands less in my retirement benefits?! Dirty rotten way to treat us! Thank you for listening and hopefully somebody makes a smart decision but it sure isn't looking hopeful.

Sent from my iPhone

Mike Ferrant

From: Joe Towle <jtowle2004@gmail.com>
Sent: Friday, March 26, 2021 10:40 PM
To: Testimony
Subject: Teacher Retirement Plan

To Whom It May Concern:

I am writing as a teacher who is very concerned about the proposed cuts to the teacher retirement plan. I realize that there are some concerns about funding in the future, but now is not the time to slash the futures of hard working teachers. Teachers have paid every cent that has been asked of us. It is not right to punish us for the budget shortfall. There will be additional funding coming from the federal government and additional tax revenue when the pandemic is over. In addition, it is time for the wealthy to pay their fair share. They have benefited from the work teachers have done to prepare the workforce, and they can give back. To attack teachers now, after all the work and personal risk they have been through, just seems cruel and disheartening to our profession. Teachers have worked hard for the future of Vermont. Now it is time for you to fight for ours.

Thank you for your time.

Joe Towle
Newfane Resident
Teacher of 24 years

Sent from my iPhone

Mike Ferrant

From: BRANT HOPKINS <Branthopkins@comcast.net>
Sent: Saturday, March 27, 2021 4:04 AM
To: Testimony
Subject: State employee pensions

My name is Brant Hopkins and I have been a Correctional Officer at Northwest State for sixteen years. The availability of a pension for me at age sixty-two was a huge reason why I chose to join the DOC.

Not many people are interested in doing what I do for a living and even fewer are actually capable of doing it. Working in a correctional facility is dangerous and yes I have been attacked by an inmate! Working inside a Correctional facility is constantly stressful and frequently traumatic! The job has a cumulative negative impact on ones health and well being. This may sound odd but knowing that I am one of the few who can meet the demands of this profession gives me great satisfaction.

The proposed change to a retirement age of sixty-seven is ill advised and not safe for Correctional Officers! The truth is that uses of force are frequent and age becomes a disadvantage in a physical incident. Staff will get injured!!

During this COVID-19 pandemic Correctional Officers have made tremendous sacrifices for the citizens of Vermont. Myself and many of my colleagues lived in a hotel for nearly a month and a half last Spring. We have had to work insane and unhealthy amounts of overtime! Remember last Summer, when Correctional facility staff were getting drive through parades because our heroic efforts were so appreciated?

This recent pension proposal is an insult!!!

State employees should not be the only citizens forced to fix the states mismanagement of the pension funds!

Thank you
Brant Hopkins

Sent from XFINITY Connect App

Mike Ferrant

From: Jane Spina <jspina@huusd.org>
Sent: Saturday, March 27, 2021 6:57 AM
To: Testimony
Subject: Vermont Teachers deserve better!

Dear Kari,

It is with great regret and deep disappointment that we find ourselves in the position of needing to consider invalidating the retirement agreement that so many VT employees entered into at the beginning of their careers in the service of this great state due to state level decisions to make imprudent, high risk investments with state workers' money over the last decade.

As a result of these imprudent financial decisions, VT workers are being asked to reconsider their career decisions, their retirement plans, and their life choices. As a teacher who has served the children of VT for 23 years, I entered into this work agreement knowing that I could retire under the "Rule of 90", that time when the sum of my years in the field and my age would add up to 90. This Rule of 90 agreement would allow me to retire in 7 years. After 30 years of teaching as a high performing, dedicated, effective educator, this seems like a time when I might be ready. Now, under your proposed plan, I would potentially need to work for 12 more years before I can retire. This is not acceptable.

The teaching profession is wonderful and difficult and the aforementioned Rule of 90 adequately supports what a person can give to and pour into it in one lifetime while still being effective for students. The pension benefit is one reason that people choose to go into education. Your proposed change will not only cast doubt in the minds of bright, young, potential VT educators who are considering entering the profession, but it will cause veteran teachers who no longer feel that the pension benefit is worth sticking around for, to leave teaching for other pursuits. Speaking as just one VT educator, I know I represent many of us who say this proposal punishes hard-working teachers for the State's poorly conceived investment strategies.

Vermont teachers deserve better.

Jane Spina
jspina@huusd.org
[2827 West Hill Road](#)
[Warren, Vermont 05674](#)

--

Jane Spina. M.Ed.
5/6 Teacher - HU Remote Academy
Academic Interventionist MTSS/EST Coordinator
Warren Elementary School

Sent from my iPhone

Mike Ferrant

From: Alysia Backman <alysia.backman@gmail.com>
Sent: Saturday, March 27, 2021 9:14 AM
To: Testimony
Subject: Teachers Pension Proposal

Dear Representatives,

I am disheartened by the recent proposal from the house leadership on pension stabilization. I am a teacher with a total of 28 years of experience and 23 years within the public school system. I have paid everything that was asked of me, the state has not done their share.

I have been paying in and making financial plans based on the promise made to me that I would have a solid pension when I retired. I was teaching in 2010 when teachers bailed out our pension system and agreed to work longer. You cannot do this to teachers again. We did not create this problem and cannot be asked to solve it.

This proposal is so scary to me that my partner, who is also a teacher with 22 years of experience, and myself are wondering if we can continue to teach in Vermont. And if we do continue to teach here, I will need to teach until I am 70 and my partner will need to teach until he is 75.

I think that this proposal will have a distressing effect on Vermont schools. Young teachers will leave the state to work in other states and/or in other professions. Experienced teachers will retire early. And mid-career teachers, like myself and my partner, will struggle to work additional years. Additionally, students will not have an opportunity to benefit from the engaging and innovative ideas of teachers entering the profession because teachers will need to work longer to meet the retirement requirements.

Now is not the time to put this burden on the backs of teachers. I urge you to use the federal dollars to shore up the fund and then find a dedicated revenue stream such as the one outlined in [Senate Bill S.59](#) and put the burden for this on the state, not on the backs of teachers who have consistently shown up, done the most important work there is: teaching our children and who have contributed what was asked of us to our pension fund.

Please reconsider. Take time to do this correctly. Treat teachers with the respect they deserve while doing the most important job there is.

Sincerely,

Alysia Backman
Waterbury, VT

Alysia Cella Backman
[she/her pronouns] [\[why\]](#)

Pension Benefits: how hiring and keeping good lawyers has saved VT \$222 million

March 27, 2021

Dear Legislators,

My name is Kyle Landis-Marinello. I'm a native Vermonter and live in Middlesex with my wife and three young kids. I've been a State of Vermont employee since I graduated law school in 2008. I am writing this purely in my personal capacity.

You've heard a lot about state employees and teachers feeling betrayed by the recent pension proposal. It's true. I never thought the State would lower my benefits. For non-union exempt employees like myself, I could have chosen a defined contribution plan, but I did my research and chose a pension plan instead. The State cannot change the terms I signed up for. That is unfair and may not even be legal. Any changes to pension benefits should apply *only* to new employees, not to anyone who is vested in a plan. That is a bright line that cannot be crossed.

From an emotional standpoint, I'm gutted. A year ago when Covid-19 hit, my already stressful job became much more stressful. As I was regularly working as much as 60 hours a week (with no overtime pay) to transition our agency to remote work, I got so burned out that I called the Treasurer's office to find out when was the earliest I could retire. I'm only 40 now, so I knew I was a ways off. They said my current retirement age is 59. This gave me solace and helped me keep pushing through incredibly difficult work. To hear that my retirement age might now move from 59 to 67 is unbelievable. It's even worse that this would happen to teachers too—during a year when they should get medals of honor. I feel dismayed, disheartened, and disrespected.

But if money is what matters most, let me turn to the financial aspects of the proposed changes to the pension plan. In particular, I want to explain the financial benefits the State of Vermont receives from having a good pension plan that allows it to hire and retain the best attorneys.

From 2010 to 2018, I was an Assistant Attorney General for the State of Vermont in the Environmental Protection Division. I worked with many other incredibly talented attorneys. We could have taken private sector jobs that would have paid around **four times** the starting salary of a government attorney, but we wanted to do public interest work—in part because it provided a good pension. A lowering of pension benefits drastically changes that calculus. It would make it much harder to hire and retain the best attorneys. This is penny-wise but pound foolish.

If Vermont did not provide the pension plan it currently provides, my colleagues and I may have chosen other work. The current pension plan helped convince us to remain public servants. Here is a subset of the estimated financial value that our work brought Vermonters from 2010 to 2018:

- Vermont Yankee Sale (2016-2018): negotiations and court proceedings led to a settlement that provided additional financial assurances of **\$200,000,000**
- *TransCanada v. Rockingham* Vermont Supreme Court Case (2016): \$400,000/year in additional property taxes for Rockingham—total over 20 years of **\$8,000,000**

- Estimated Avoided Attorney's Fees in Federal Court Case over Vermont Yankee Relicensing (2011-2013): **\$7,000,000**
- Estimated Avoided Attorney's Fees in Federal Court Case Defending Vermont's GMO Food Labeling Law (2014-2016): **\$3,000,000**
- Court order to clean up a contaminated site in Springfield (2014): **\$2,000,000**
- Court order to clean up a contaminated site in Hartford (2017): **\$2,000,000**
- Environmental enforcement case for environmental violations (2015): **\$375,000**
- Payment from insurance company toward contaminated site cleanup (2015): **\$100,000**

Estimated Total: \$222,475,000

This estimated amount of \$222,475,000 is from just a subset of the cases that I personally worked on from 2010 to 2018. It doesn't include the many similar cases my colleagues did over this same time period. Nor does it include the incalculable environmental and health impacts of all of this work to Vermonters. Looking solely through a financial lens, and even subtracting the total salary that the State of Vermont paid me over the course of these 8 years, the work that my colleagues and I did for Vermont on these cases has benefitted the State by over **\$222 million**.

There are law students graduating this spring that—like me back in 2008—are in the top 10% of their class at a Top Ten law school. My sister just called me this morning to ask if I could talk to a recent Yale Law School graduate about working in environmental law in Vermont. When the most talented lawyers are deciding where to work, what will they do? I hope they choose public service in Vermont. I hope they bring Vermonters another \$222 million by working for the State. The current pension plan makes Vermont a good option. The proposed pension plan does not.

Please do not make *any* changes to the current pension benefits. It's not fair. It's not right. And it's not even financially prudent.

Thank you for your consideration.

Sincerely,
Kyle Landis-Marinello

Mike Ferrant

From: tdpregent@gmail.com
Sent: Saturday, March 27, 2021 9:56 AM
To: Testimony
Subject: Do NOT change our Pensions Plans

Good morning,

I am writing to you today to express my concerns about the threats to the pensions of current State of Vermont Employees. I have been working for the state since I graduated from Randolph Union High School and Randolph Area Vocation Center in 1996. I chose to start working for the state almost immediately upon graduating because at that time getting a job with the state was considered an honor. In order to even get a job offer with the state back then, you had to pass an exam with at least an 80 and those scoring in the 90s were significantly more likely to be offered a job. I got an 97 and was immediately receiving calls.

I mention this because during my senior we had a representative of the state come to my RAVC class and discuss the benefits of working for the state. The pay, health benefits and especially the pension plan. The information provided were significant factors in my decision to work for the state rather than going to college. I grew up poor. My parents have always been and still are hard workers who rarely miss a day of work (my father is 72 and just barely retired due to COVID - he has been working since he was 12), but barely made enough to pay the bills say nothing about saving for retirement. Not enough to live comfortably and too much for help from the state. Do you know what it is like to be poor? I did not want to burden them with college expenses since they were already in debt due to my medical expenses and my brother's college tuition, so I looked at my best options. Work for the state, then start college after a few years and be available to retire if/when I needed to support my parents. I have always had the future as my focus.

My father was a LNA for about 30 years working at what was once Tranquility Nursing Home (Where he was awarded the LNA of the Year Award....twice) and Gifford Medical Center and others. I spent a lot of time with him at Tranquility after school spending time with the patients there and seeing how lonely they were and while my father was a great LNA, I have also seen some horrible LNA's and my father was always so worried about his patients that he would go in on his days off and make sure each patient was able to watch the Red Sox or Celtics games if they wanted. He simply needed to turn on the TV. He did this because the other nurses did not care enough to turn the TV on and some patients were not able to do so themselves. My father is a faithful Red Sox fan and I cannot imagine him being denied his greatest pleasure beyond his family....watching the game. I mention this because it is due to my experiences with my father in those nursing homes, that I promised him and my mother that they would never have to worry about being denied comfort in their old age because I would take care of them and that I would never put them in the nursing home. I cannot break that promise, but if the pension changes, I may not have a choice. I have also since been diagnosed with Cystic Fibrosis. I may not live a long life like I thought I would, but I at least thought that I would live long enough to retire and enjoy a bit of life. With just 6 left to my 30 years with the state, I was hopeful. Now I'm afraid I will have to work until I die and never get the chance to experience retirement and relaxation.

I work for the state, I obtained my bachelors while working full time and raising a family and now it doesn't sound like I will be available to take care of my parents if they need me to in the near future with the changes being discussed. I was promised a pension and the option to retire after 30 years of service. Nobody ever told me that working for the state would also mean broken promises (contracts essentially) and loss in pay/benefits. I have lost a lot of money over my 24 years with pay freezes, job freezes (preventing promotions) and a 5% reduction in pay to help the people of our great state. A state that is becoming increasingly more expensive to live in. Not once, was I asked to do less with the reduction in pay or to not work so hard and honestly it isn't in me to give any less than 100%. I have received the highest possible annual evaluations for many many years and always go above and beyond with little more than a thank you and sometimes I don't even get that. I have busted my rear-end for the state. Especially during COVID. I have been

overworked for over a year now. I work for three programs for the Agency of Education and had to put in over time every day for two months straight before getting burnt out a bit. I often work through my lunches and sometimes even find myself responding to emails in the evenings and on weekend.

Now, what is the state doing for me? Treasurer Pierce was asking me and my peers to work longer and likely harder than I (we) am already working as people begin to leave the state in anticipation of the pension changes. Her proposal was to change my group, Group F to the rule of 90. Not a great plan as it would have added five more years to the number of years needed to meet normal retirement. Then the reduction of COLA was another slap in the fact. The slap in the face is nothing compared to the kid to the gut that the House Government Operations Committee is delivering. Changing the retirement age to 67 with no consideration of years of service is devastating, angering, disappointing and most of a betrayal. I have been working for the state for 24 years. With this change, I would be required to work another 24 years. So I would be giving the state 48 years of my life. What are you all thinking? I keep hearing that people are living longer. Well, not when they are worked to death or put under so much stress that they suffer physical and mental complications. Then there are people like me who have Cystic Fibrosis. I would be shocked if I even live to be 67. Something I try not to think about, but it always in the back of my mind. That's okay to you though, right because it would only benefit you.

There is sure to be a mass exodus. Maybe that is what you want. Is it the fault of state employees that funds were mis-managed? No. It seems as though nobody wants to take responsibility for getting us into this mess yet they want state employees to give a lot more with fewer benefits to make up for it. There is talk about there being no changes for those within 5 years of retirement. How is that fair to people like myself who will have 5 years and 9 months left should this go through with an effective date of July 1. Which we are all guessing at because you are being so secretive and sneaky that you won't even share what your planned effective date would be. So, with your plan I will have to work 24 more years because I was 9 months shy of 5 years. Do you understand how devastating that is. What about those with only 6 years left, 10 years, 20 years. How do you fairly draw that line when we were all promised the same thing which is what drew most of us to state employment. Working for the state certainly does not have the same honor and appeal it used to. Many private businesses pay their employees better and have some better plans, but for a lot of us, it would mean having to start our careers all over again.

You have heard in the public hearings how making us work longer will simply mean paying more and quite honestly putting the state in a worse state than it is in already. Again, not the fault of the employees. We paid you enough to pay the bills. It is not our fault our money was used for things other than what it should have been. You need to honor the promises made to so many of us and stop asking us to give and give and give and when will the giving ever stop? Why not consider making the changes for all new hires? They have nothing to lose.

You are elected officials and if you go through with this, I certainly hope you are all replaced. Well, not all of you. There are a few that agree with state employees and teachers that this plan is shameful and that we should not be punished. Employees will be taking names and will not give you our votes. You may say, so what there are plenty of others who will vote for you, but we all have a lot of family and friends and many of us have vowed to make damn sure our friends and family are aware of who those people were that took our lives away from us. That is what you are doing. Since you are working hard to take away what was promised to me, I will in turn work hard to discourage everybody I know from re-electing you if you keep going forward with this. You need to slow down. You are moving too fast, not considering all of the consequences to the state and to the employees. Your thoughtless actions are what puts us in the very positions we are in now. You should all be ashamed of yourselves. Again, I am addressing those of you who are trying to push this through and not the ones who are supporters of state employees and teachers.

Even though it is clear you care nothing about any of us, I sincerely hope you are all staying safe and staying healthy.

Tammy Pregent
Randolph

March 27, 2021

House Government Operations Committee

Good morning,

I am writing to you today to express my concerns about the threats to the pensions of current State of Vermont Employees. I have been working for the state since I graduated from Randolph Union High School and Randolph Area Vocation Center in 1996. I chose to start working for the state almost immediately upon graduating because at that time getting a job with the state was considered an honor. In order to even get a job offer with the state back then, you had to pass an exam with at least an 80 and those scoring in the 90s were significantly more likely to be offered a job. I got an 97 and was immediately receiving calls.

I mention this because during my senior we had a representative of the state come to my RAVC class and discuss the benefits of working for the state. The pay, health benefits and especially the pension plan. The information provided were significant factors in my decision to work for the state rather than going to college. I grew up poor. My parents have always been and still are hard workers who rarely miss a day of work (my father is 72 and just barely retired due to COVID - he has been working since he was 12), but barely made enough to pay the bills say nothing about saving for retirement. Not enough to live comfortably and too much for help from the state. Do you know what it is like to be poor? I did not want to burden them with college expenses since they were already in debt due to my medical expenses and my brother's college tuition, so I looked at my best options. Work for the state, then start college after a few years and be available to retire if/when I needed to support my parents. I have always had the future as my focus.

My father was a LNA for about 30 years working at what was once Tranquility Nursing Home (Where he was awarded the LNA of the Year Award....twice) and Gifford Medical Center and others. I spent a lot of time with him at Tranquility after school spending time with the patients there and seeing how lonely they were and while my father was a great LNA, I have also seen some horrible LNA's and my father was always so worried about his patients that he would go in on his days off and make sure each patient was able to watch the Red Sox or Celtics games if they wanted. He simply needed to turn on the TV. He did this because the other nurses did not care enough to turn the TV on and some patients were not able to do so themselves. My father is a faithful Red Sox fan and I cannot imagine him being denied his greatest pleasure beyond his family....watching the game. I mention this because it is due to my experiences with my father in those nursing homes, that I promised him and my mother that they would never have to worry about being denied comfort in their old age because I would take care of them and that I would never put them in the nursing home. I cannot break that promise, but if the pension changes, I may not have a choice. I have also since been diagnosed with Cystic Fibrosis. I may not live a long life like I thought I would, but I at least thought that I would live long enough to retire and enjoy a bit of life. With just 6 left to my 30 years with the state, I was hopeful. Now I'm afraid I will have to work until I die and never get the chance to experience retirement and relaxation.

I work for the state, I obtained my bachelors while working full time and raising a family and now it doesn't sound like I will be available to take care of my parents if they need me to in the near future with the changes being discussed. I was promised a pension and the option to retire after 30 years of service. Nobody ever told me that working for the state would also mean broken promises (contracts

essentially) and loss in pay/benefits. I have lost a lot of money over my 24 years with pay freezes, job freezes (preventing promotions) and a 5% reduction in pay to help the people of our great state. A state that is becoming increasingly more expensive to live in. Not once, was I asked to do less with the reduction in pay or to not work so hard and honestly it isn't in me to give any less than 100%. I have received the highest possible annual evaluations for many many years and always go above and beyond with little more than a thank you and sometimes I don't even get that. I have busted my rear-end for the state. Especially during COVID. I have been overworked for over a year now. I work for three programs for the Agency of Education and had to put in over time every day for two months straight before getting burnt out a bit. I often work through my lunches and sometimes even find myself responding to emails in the evenings and on weekend.

Now, what is the state doing for me? Treasurer Pierce was asking me and my peers to work longer and likely harder than I (we) am already working as people begin to leave the state in anticipation of the pension changes. Her proposal was to change my group, Group F to the rule of 90. Not a great plan as it would have added five more years to the number of years needed to meet normal retirement. Then the reduction of COLA was another slap in the fact. The slap in the face is nothing compared to the kid to the gut that the House Government Operations Committee is delivering. Changing the retirement age to 67 with no consideration of years of service is devastating, angering, disappointing and most of a betrayal. I have been working for the state for 24 years. With this change, I would be required to work another 24 years. So I would be giving the state **48** years of my life. What are you all thinking? I keep hearing that people are living longer. Well, not when they are worked to death or put under so much stress that they suffer physical and mental complications. Then there are people like me who have Cystic Fibrosis. I would be shocked if I even live to be 67. Something I try not to think about, but it always in the back of my mind. That's okay to you though, right because it would only benefit you.

There is sure to be a mass exodus. Maybe that is what you want. Is it the fault of state employees that funds were mis-managed? No. It seems as though nobody wants to take responsibility for getting us into this mess yet they want state employees to give a lot more with fewer benefits to make up for it. There is talk about there being no changes for those within 5 years of retirement. How is that fair to people like myself who will have 5 years and 9 months left should this go through with an effective date of July 1. Which we are all guessing at because you are being so secretive and sneaky that you won't even share what your planned effective date would be. So, with your plan I will have to work 24 more years because I was 9 months shy of 5 years. Do you understand how devastating that is. What about those with only 6 years left, 10 years, 20 years. How do you fairly draw that line when we were all promised the same thing which is what drew most of us to state employment. Working for the state certainly does not have the same honor and appeal it used to. Many private businesses pay their employees better and have some better plans, but for a lot of us, it would mean having to start our careers all over again.

You have heard in the public hearings how making us work longer will simply mean paying more and quite honestly putting the state in a worse state than it is in already. Again, not the fault of the employees. We paid you enough to pay the bills. It is not our fault our money was used for things other than what it should have been. You need to honor the promises made to so many of us and stop asking us to give and give and give and when will the giving ever stop? Why not consider making the changes for all new hires? They have nothing to lose.

You are elected officials and if you go through with this, I certainly hope you are all replaced. Well, not all of you. There are a few that agree with state employees and teachers that this plan is shameful and that we should not be punished. Employees will be taking names and will not give you our votes. You

may say, so what there are plenty of others who will vote for you, but we all have a lot of family and friends and many of us have vowed to make damn sure our friends and family are aware of who those people were that took our lives away from us. That is what you are doing. Since you are working hard to take away what was promised to me, I will in turn work hard to discourage everybody I know from re-electing you if you keep going forward with this. You need to slow down. You are moving too fast, not considering all of the consequences to the state and to the employees. Your thoughtless actions are what puts us in the very positions we are in now. You should all be ashamed of yourselves. Again, I am addressing those of you who are trying to push this through and not the ones who are supporters of state employees and teachers.

Even though it is clear you care nothing about any of us, I sincerely hope you are all staying safe and staying healthy.

Tammy Pregent
Randolph

To the Vermont Government Operations Committee
Representative Kari Dolan
Representative Maxine Grad
Senator Ann Cummings
Senator Andrew Perchlik
Senator Anthony Pollina

As a long term State employee the proposal related to the pension fund is not just personal to me but impacts those I lead, fellow colleagues and many others I respect for their public service. While I may be closer to retirement than others, I can not retire now and will likely have to reconsider my future plans like many others. However, more concerning to me are the long term impacts this proposal will have on Vermonters, our customers, and each one of you. When you go to renew your drivers license, or drive on winter roads, when you look for assistance from unemployment or food stamps, who do you think is working behind the scenes to give you the services you seek? State employees. Behind that computer screen you see, behind the wheel of that plow truck, is a person who is trying to survive this world just like you. Each of these people have families, bills they have to pay, and they are not unlike the rest of you, many of whom are working for a wage that isn't even competitive with those doing similar jobs in the private sector. The one thing that keeps them coming to work each and every day is the promise that after 30 years of dedicated service, they will be able to retire and continue to live within their means. Nobody is getting wealthy in these jobs, they are not expecting to retire to the sun belt and only return to Vermont in the off season... no, they are lifelong members of your communities. They shop in your stores, eat in your restaurants, and support your communities. By taking away this promise, the promise of a pension that they have been investing in from the moment they accepted employment in the State of Vermont, you are taking away the one thing that keeps them employed here. I have already seen many of my colleagues make the decision to retire early. With their departure goes years of knowledge and experience. You might think that they are replaceable but I can assure you they are not. They will do their best to document their knowledge and share it with those left behind but the learning curve will be immense and will present new challenges that will slow down the State's progress in many sectors. And what happens if those left behind decide to take jobs outside the State government? Who will be left to pick up those pieces? Nobody. The fact is, we are already experiencing challenges hiring people for jobs in the State government because our wages are not competitive with other employers. In the technology sector alone, if we are hiring for a Project Manager at a PG 28 (mid to high range) the annual salary is \$66,352 compared to \$86,000 per year at Google for the same position. At Google, employees can choose between a traditional pension plan or a 401 (k), which includes matched employer contributions among many other benefits. The point is, why would you choose a job with the State of Vermont making less money and receiving less benefits than a company like Google? Long term, the State of Vermont will experience challenges hiring bright, innovative, young employees which will result in difficulties providing the same level of services to Vermonters. In addition, many of those who may have been considering buying a home in Vermont and starting a family will likely look elsewhere. Those who do stay will likely need to pick up more jobs to make ends meet or

apply for assistance from the State as the costs of living here will continue to rise. And many may just decide to leave the State of Vermont altogether, reducing the amount of income tax revenue further compounding the fiscal issues the State has been trying to solve for years. This a much bigger problem that will cause more than just the State employees and teachers to make difficult decisions, it will have far reaching impacts to all those who want to live here. I have seen the heroic work of my peers during this pandemic, staff working more than 70 hours per WEEK to ensure COVID testing and Vaccines could be administered and others working tirelessly to ensure Vermonters could receive unemployment, and other benefits so they could come through this crisis together. We need all Vermonters to unite around us now, more than ever or we will lose the ability to protect and serve in the future.

Sincerely,

Stacy Gibson-Grandfield
State of Vermont Employee
Duxbury, VT

To: Representative Arrison

Re: State Employee and Teacher Pensions

Hello John:

I am writing to you today because I am gravely concerned about the current proposal in the House from Speaker Krowinski regarding state employee and teacher pensions.

But first, congratulations on your election to the House. I am confident you will do as good for our state as you have our town.

I assume you remember me, but by way of background: I am your neighbor up the road. I have been a state employee for 29 years (combined part and full time). I have served as a part-time police officer with Springfield and Weathersfield Police Departments since 2005. For the last 24 years, I've been employed full time as an Environmental Enforcement Officer with the Vermont Agency of Natural Resources with a 40+ town district in southeast VT, including Weathersfield. My wife Kirsten and I moved from northern VT and have lived in Weathersfield since 2000. She has taught grades 1-3 at the Weathersfield School since 1998.

When we entered public service, we knew we would be making some sacrifices compared to the private sector – particularly with our incomes. But we also knew that we would have the potential for very rewarding careers while serving the people of Vermont, even though the path would be bumpy, harrowing and occasionally downright hazardous. We also knew that we would have a good benefits package for our young family and the guarantee and security of our pensions after thirty long years of service.

We have counted on that pension benefit remaining what was agreed to, just as surely as we count on our mortgage or car loan to remain the same. Just as surely as when we buy a major appliance, we don't expect the store to call us up later and say "we really sold that to you cheaply. We are going to need some more money from you now."

The Speaker's proposal is backing away from a promise. We, and many other state employees and teachers have devoted our lives to our jobs. Aside from the inherent rewards of our positions, in return we only expect our specified compensation and benefits. The most important of which, few would argue, is our pensions.

The proposal to fix the underfunded state employee and teacher pensions is aimed squarely at employees to make up the shortfall. It offers a relatively small amount of "state money" - which, as I understand it, is really federal money anyway. It was with a sinking feeling in my stomach that I studied the Speaker's plan and learned of the details. How could it be even worse that the Treasurer's proposals from this winter?

One of the very worst parts of this plan is the requirement to have us work until we are at least 67 years old. I am supposed to be done at 57 and Kirsten at 60. We had plans for these years! Nothing extravagant, we would still be on a tight budget, but we were going to be free.

I will note another provision in the proposal which states it will not apply to employees within five years of retirement. I want to be clear that I am actually already (barely) within five years of retirement. But I see this as divisive to the Union membership and possibly geared, at least in part, to appease and silence many important members. Also, like any part of the plan, it could be changed at any time. Next week it might say three years, or one... or none.

The speed at which this proposal was formed and advanced is unsettling and unheard of too. I understand the unfunded liability needs to be fixed, but this is not an emergency. The problem developed over decades from what I understand were incorrect predictions and poor investment strategies. It did not come about through and actions or omissions of state employees and teachers. Yet the proposal seeks to solve it on our backs.

Teacher Pension Testimony

It is shameful to think that the solution being proposed to remedy the underfunded teacher pension system rests squarely on the shoulders of those of us who have paid in full every two weeks since the beginning of our careers.

How is it possible that you (the state government) can take a piece of my earnings every paycheck, tell me I'll get it back upon retirement, poorly manage and underfund that retirement program, and then expect me to provide the financial solution to the problem you created? In short, your solution to the problem you have created is to make me pay more, tell me I'll get less, and tell me I have to wait longer to access those dollars. Where is the accountability?

I wonder what the consequences would be for me if I somehow found a way to not pay into the retirement program in the first place? What actions would the state have taken against me for my dereliction? We all know that I could not simply require someone else (especially the state) to pay for me in order to solve the problem of my misconduct. And yet, the mirror image of this scenario is exactly the solution being suggested by the state government to compensate for their malfeasance.

The solution to this problem should not be put on the backs of teachers. Please take the time to reflect on the appalling nature of the suggested "solution". Then begin work on a solution that reflects an admission of responsibility and true understanding of the problem we now find ourselves in.

John Painter

To Whom it may concern,

It is with great displeasure that I write this letter. At a time where teachers have worked tirelessly for not only their whole career but more specifically throughout the past year. During a global pandemic teachers have gone above and beyond their duty to ensure a quality education for each and every student. These proposed pension changes take away from our pride and dignity. For some of us, should the proposal go through, it is a life-changing, career-altering event. I highly urge you to put a stop to these changes for the impact they will have on teachers are devastating.

The proposed changes include higher pay withholding, a different, yet still impactful change to COLA (cost of living adjustment) provisions, and, surprisingly, an effort to force teachers to work longer before being vested and eligible to draw from the pension.

It also would require 10 years of service rather than the present 5 years of service before a teacher would be vested in the pension plan. Let's do the math on that: $.0725 \times \$40,000.00 \times 9 = \$26,000$. **Wow!** A new teacher coming into an SU making \$40k could surrender nearly \$30k in 9 years of service and walk away with nothing if their employment ended. That doesn't even factor in the lost opportunity cost of otherwise investing that money. We are forced to pay in. We are asked to now pay more. We are asked to risk more. We are asked to work longer and for less money. Fair? Necessary? NO!

Additionally, the mechanics for how monthly benefits are calculated would now include an average of our last (7) years of service as opposed to our last (3) years.

I hope our legislatures realize what they are doing to the moral of teachers and the well being of our children with such drastic changes. The fall out from these changes will nonetheless affect our children because it will have a negative impact on us teachers. At a time where teachers are struggling with self-care issues for ourselves and students this is negatively affecting the teaching profession.

Kristina Bowen
3rd Grade Teacher
Montgomery Elementary School

Mike Ferrant

From: Tom Dunkley <tdunkley@luhs18.org>
Sent: Saturday, March 27, 2021 5:03 PM
To: Testimony
Subject: State retirement system

Hello.

I was unable to speak in the Zoom meeting Friday and so will write some points I wish to make.

A contract should be honored.

If current contracts in place are not sustainable within the current system, it seems devious and underhanded to change the deal.

Instead, honor the deal, even if it is hard to do and change new contracts created.

As a teacher, I have worked hard to plan and prepare for retirement.

One thing I did is purchase a year of service, because I taught out of country for a year and was eligible to do this. It seems downright illegal that what I paid for will change and there is no plan in place to allow refund of the year purchased.

Thank you for considering these points.

Sincerely,

Tom Dunkley
LUHS

Hello, and thank you for this opportunity to be heard.

I am discouraged, disappointed and outraged by the proposed changes to our Vermont State Employee Retirement System. How can the State of Vermont justify pulling the rug out from under state employees who have spent a career serving the public? I have 23 years of service working for DCF and to be told I may need to work another 15 years is simply outrageous. Do legislators think that is fair? Is it fair to ask a person to have to work 40-45 years to be eligible to retire, and lose money on top of that?

I assure you that the retirement package is one of the few things that has attracted employees over the years and it is certainly one of the benefits that have retained employees. The proposed changes will leave critical state government agencies with a revolving door of new, inexperienced employees who will wisely leave the stress and demand of their positions given the lack of incentive to stay. Our child protection services, law enforcement, schools, and every other critical service will crumble, leaving the State of Vermont with more problems than have likely even been considered. We have long been understaffed across agencies and departments and without long-serving, experienced employees we may have already crumbled. While I recognize the financial conundrum the State is in, this proposal is a numbers game that lacks any acknowledgement of the negative impact this will have on those of us already vested in the system, as well as the long-term effects to be realized by the citizens and law makers of Vermont.

Nearly half of my life has been spent working in child protection for the State of Vermont. I am as seasoned as one can get and yet I know I can't manage another 15 years of this work. I imagine if this proposal passes we will be lucky to have employees with five years of experience. Why would they stay? These jobs aren't easy and can be pretty thankless, too. We don't seem to have a problem giving money away to lure out of state residents, even though most of them will never step foot into a public service position. When will we take care of Vermonters, and encourage Vermonters to stay?

I am currently watching droves of people announce their retirement to escape the threat of damaging pension changes. This outrageous proposal is already destabilizing our workforce at a time when many of us are under a hiring freeze and the workload remains. I fully expect we will see many more leave their positions if they are told they need to work 15-20 more years on top of the 15-24 they already have served. It would be easier to sign on to another position and ride it out. Had I known this was a possibility, I would have left state government several years ago for a position that offered a 10 year commitment for retirement, and benefits not offered by the State of Vermont. I stayed, believing my retirement package would make it worthwhile.

It is only fair to allow State employees to retire with the promised pension they were offered when they were hired. Resolving the State's mismanagement of VSERS should not be at our expense. Please take care of those who have devotedly served your state, communities and families.

Mike Ferrant

From: james forde <fordebonin@yahoo.com>
Sent: Sunday, March 28, 2021 7:05 AM
To: Testimony
Subject: Protect the teachers and students of Vermont

Dear Vermont Legislators,

I am a retired teacher, my husband is a teacher, my sister is a retired teacher, and my daughter is currently a teacher. The proposed change in teacher pension is unconscionable. Teachers are professionals and I feel they are not respected as professionals in Vermont. The amount of college education required along with the need to continue with college courses to maintain a teaching license represents a huge financial and time commitment. For example, all the teachers in my family have six years of college education to earn their master's degree plus an additional 15 to 45 credits earned to maintain a teaching license. I feel teachers in many districts are underpaid, but part of the benefit for teachers was a retirement pension. I do not believe the general population understands the amount of education, stress, and dedication that teachers put into providing the best education for the children. If this goes through my daughter after 15 years of teaching will change career. The state will lose many dedicated and great teachers, and they will not attract great teachers in the future. In addition, how many teacher's in their sixties will have the energy and patience that is needed to deal with a classroom of children all day? This is a shortsighted solution and not in the best interest of students or teachers. You cannot expect teachers who have been working in this career to lose a great amount of their pension or work until they are 67 years old. The state must look for other solutions!

Sincerely,
Mona Bonin

Mona Bonin
fordebonin@yahoo.com
75 Fernwood Circle
Newport , Vermont 05855

3/28/21

To the Committee on Government Operations,

As a long-time state employee, I emphatically disagree with most of the elements of the proposal to reform state employee's and teacher's pensions put forth by the Committee. While I agree that we urgently must address the unfunded liabilities of VT state employees and teachers, this is not the way to do it. The proposed changes punish teachers and state employees and side-step the legislature's responsibility for the situation.

Retirement benefits are among the most significant parts of the "package" considered by candidates, including myself, in deciding whether to accept an offer of state employment. The salaries of State of Vermont employees are relatively low compared to our counterparts in other New England states and in private industry. To a certain extent, SOV benefits including retirement compensate a bit for that. There is an implicit contract at hire that those benefits will not suddenly be reduced after hire. Furthermore, state employees and teachers have formed the backbone of Vermont's Covid response. For example, my role as Division Director of Federal & Education Support Programs at the Agency of Education has put me front and center of implementation of the various federal pandemic relief education and child nutrition assistance provided by DC. It is particularly cruel to implement such a punitive legislative response at this time.

The components of the proposal I most disagree with are:

1. Increasing the retirement age for *current* employees,
2. Determining the retirement benefit based on the ten, rather than three, highest earning years for *current* employees, and
3. Increasing the years required to be vested for *current* employees.

Components I could live with are:

4. Increasing the employee contribution, so long as other steps also are taken to significantly increase the state's contribution, and
5. Connecting cost-of-living increases for retirees to inflation.

All five of these changes could be implemented for *new* employees to consider in weighing an offer of employment.

The "can" has been kicked by the Legislature on this matter for too many years. I agree it must be addressed. But the outlines of the current proposal, particularly the three components I outlined above, represent a serious violation of good faith.

Thank you for consideration of this testimony.

Sincerely,

Anne Bordonaro, PhD
Moretown, VT
annewan@gmavt.net

Mike Ferrant

From: Keese Lane <keese.lane@gmail.com>
Sent: Sunday, March 28, 2021 7:39 AM
To: Testimony
Subject: Teacher Pension

I'm a new teacher in the state and I really don't understand the message the legislature is sending?

I'm watching my colleagues work for decades under a deal they made with Vermont only to have the state bail on them when they're within grasp of retirement. What's the message to younger teachers? Risk your lives for Vermont's children and if you're lucky maybe the state will hold up it's end of the bargain?

Mike Ferrant

From: Craig LaPine <craig295@comcast.net>
Sent: Sunday, March 28, 2021 11:23 AM
To: Testimony
Subject: pension plan

I am writing to express my concern over the proposed pension plan for teachers. I am in my 23rd year as a special education teacher working with students with learning disabilities, autism, emotional disorders among other handicapping conditions. If there is anything I have learned from pandemic, it is the importance of schools, especially for marginalized populations of students.

The work is very challenging. My roles include teacher, mentor, counselor, parental advisor, case manager and coordinator of services with outside agencies not to mention the paperwork that comes with the job. I am not complaining about this as I became a teacher to make a difference and, overall, I find the work gratifying. Even after being hit, kicked, spit on, yelled at, called names from students bringing in "baggage" to school or trying to support students who become overwhelmed easily, I continue to take great joy in helping a student realize his/her potential, learn perseverance, learn academic skills and to help them feel good about themselves. I'm not always successful but when I am, it's job satisfaction like no other.

In the current pension system, I have 7 more years before I could retire. Under the proposed plan, I have 12 more years until I reach the age of 67. I honestly don't know if I will have the energy to sustain what I do for that long. The students I work with are always between 7 and 10 years of age. Also, I was promised a pension for my years of service and agreed to a change years ago to the current model. The proposal that is out there now is, frankly, an insult to those of us who have dedicated our adult lives to our profession. Those of us on the older side have done financial planning based on the pension plan we were promised. Also, if the proposal is adopted, I anticipate that it would be difficult to recruit and keep quality teachers for this work.

If the reports I read are accurate, a cost analysis of the proposal and collaboration with those affected would appear to be not only crucial but more respectful of teachers and public employees. I believe we deserve this respect and consideration and am asking as much.

Thank you.

Craig LaPine

Mike Ferrant

From: Christalee Kinney <cnjk3@comcast.net>
Sent: Sunday, March 28, 2021 1:54 PM
To: Testimony
Cc: jerold.kinney@icloud.com
Subject: Pension reform, The human cost

Good evening Madam speaker and committee members. Thank you for the opportunity to address you in this email. My fellow state workers have addressed you in force and by now I feel like the financial aspects of the proposed changes have been addressed to you so that you begin to see the monumental effects of these changes. What I do not hear as much is the human cost. I came into the retirement system 24 years ago. I started as an entry level plow truck operator. At the time I had a newborn and a nine year old. Both have birthdays in the winter. They have had 48 birthdays combined. I have made 11 of those. I came each time you called, no matter what. I have bailed on the birthdays and Christmases of my family because I was told after 30 years I would be able retire with certain benefits. I looked forward to enjoying my remaining years with them being that I gave the state my best years. Now that I am almost there, I am being told my best was not good enough. Not because of my failure to do my part, but because my state government failed to do theirs. I urge you to reconsider these proposed changes and at the very least honor the agreements the state has made with your current employees. Thank you for your time.

Jerold M. Kinney
Technician VI, VTRANS

Mike Ferrant

From: Duprat, Adam <Adam.Duprat@vermont.gov>
Sent: Sunday, March 28, 2021 3:09 PM
To: Testimony
Subject: Pension Proposal

To whom it may concern,

I'm writing to voice my absolute disapproval of the House Government Operations Committee chair and vice chairs' recent pension proposal. I've been with AOT for over 8 years and had a plan to retire in 2045 with 33 years of service in. With the new proposal I would have to work an additional 12 years while paying more and receiving less during retirement. They would essentially be stealing at least \$400,000 from me and 12 years of my life. I've contributed every cent asked of me to secure the retirement I was promised when I signed my contract to work for the state in 2012. The state's mis management of our money shouldn't be a burden that we should have to remedy. The main reason I work for the state is because of the pension. I am paid far less then I could earn in the private sector and get pushed around by this government with hardly any say, with the governor trying to take away our raises every year it makes it a difficult place to work. But being able to retire at a decent age and the promise of getting a check every month keeps me here. I guess being vested doesn't mean anything to them as I would go from vested to not vested with this proposal. I know multiple people thinking about finding other employment, some going as far as applying for other jobs already or retiring. And I will be joining them if anything like this proposal goes through. I have a long career ahead of me and thinking of getting closer to retirement and something like this happening again is sickening and frankly I have lost all trust of the government that is so "thankful" for my service.

Thank you for your time,

-Adam DuPrat

Sent from my iPhone

March 26th, 2021

Dear House Government Operations Committee:

I am a Vermont resident who wears many hats, a mother, a wife, a taxpayer, and a teacher. I am writing to you today because of the latter. I am appalled and disheartened by the current attack on the pension system. It is disrespectful to the profession, and if this goes through will be a huge disservice to students. Here is why:

Teaching requires 100% of your mind, soul, and body to do it well. I am a young, physically active thirty-six year old who enjoys bouncing off the walls for her students, talking all day, enrolling in college courses to enrich content knowledge, and I have had to learn a whole new way of teaching through a pandemic. Thinking about myself thirty years from now, I don't think I will want to or be able to maintain this level of stamina. I have been teaching since I was twenty-three, and my current retirement goal is to retire before I am sixty. During the winter, I had even contacted the Vermont Teachers Retirement to look into paying more out of my paycheck to buy more years of service. With your proposed plan of forcing teachers to work until social security age, you will be hurting Vermont students. There are consistently so many young, energetic college graduates who are eager to do what it takes for students. **Why would you want to keep burnt out, older teachers in the system longer who could be enjoying retirement and spending their pension dollars in the Vermont economy?**

I also want to address the increase in cost of the pension and the final compensation. Increasing the cost from 6.25% to 7%, and then basing the final compensation on our last 7 years of teaching is a real slap in the face. How could you even think about doing this considering how hard teachers have been working to get Vermont kids through a pandemic; there are more needs than ever before. Teachers cannot have more money pulled from their paychecks considering the rising cost of living in this state. In my house, every dollar is accounted for. It is required now that two adults in a household work, otherwise you cannot afford rent or a mortgage. Please recognize the fact that Vermont is borderline too expensive for the middle class to live here, and teaching is one of the few professions to keep Vermonters here. I implore that you do not take more money from our paychecks.

Lastly, I want to emphasize that **we did not screw up the teacher pension**. It should not be on our shoulders to fix it. Our elected officials must find another way.

Sincerely,

Rebecca Chartrand (Waterbury resident, teacher at Thatcher Brook Primary School)

March 28, 2021

Dear House Committee on Government Operations,

Re: Written Testimony for Public Meeting Monday March 29, 2021

I have been a classified State Employee since 1996 for both the Governor's Office and the Department of Environmental Conservation. On Friday, March 26, 2021, I submitted my paperwork to retire from the State of Vermont. I was planning to retire a year ago, but when the Covid pandemic broke out, I continued working to help support the Department of Environmental Conservation where I currently work and the State of Vermont and help them get through this trying time. Over the past year, there has been a hiring freeze in place, and it has been difficult to fill positions doing crucial work. After 4 years of suffering the injustices the Trump administration piled on this country, and thinking that now we were free of that, it is appalling to me to find the Vermont Democratic leadership going against all State Employees, Teachers and their Unions by decimating our pensions. It is so degrading and so disrespectful that I feel the only power I have is to stop working for State Government.

I am one of the lucky ones who is able to retire at this time with my pension intact so far. I hope it stays that way and yet the betrayal is so great, that I fear it could change at any moment. I do not trust waiting to see what happens. I also am appalled that our Democratic leadership in the form of the Speaker, Chair of Government Operations and the Treasurer are women and are the ones leading this effort to break our pension contracts. As Lieutenant Governor Molly Gray has pointed out this proposal affects women disproportionately. I appreciate her speaking out in support of State Employees and Teachers. I was a single parent myself and only worked parttime for State Government for a while when I was raising 2 young children which of course has affected the amount of retirement I am able to collect and limited career opportunities. I also experienced the 3% reduction in wages and step freezes for 2 years which further lessened the calculation for retirement. It seems like whenever money is short, its state employees who must give.

My solemn vow is to vote against anyone who supports this destruction of our pensions and benefits that were promised to us. And be assured, since I will be retired, I will have plenty of time to work to encourage others and remind them next year of the injustices being perpetuated today. I mean that sincerely and if that means letting Republicans take over the Legislature, I hope those responsible remember that this mess was created by going against your core constituents. Because I think Republicans will get a big boost from these actions.

I urge you to stop this madness and support both Teachers and State Employees 100 percent. They are the ones who worked through the whole Pandemic and any of the large amounts of money coming into the State needs to be directed in this effort. Thank you for your attention to this serious matter and thank you to those on this committee who have spoken out in support of teachers and state employees.

Sincerely,



Helen A. Banevicius
423 Herring Brook Rd, Montpelier VT 05602 (mailing address)
Voting Resident of Moretown

helenannbanev@gmail.com

This written testimony is about the pension plan for state employees. It has six comments on the current proposal to change the pension plan.

The first comment is on the change to the cost of living adjustment. That adjustment is fully funded by employee contributions. It costs the State of Vermont nothing. To make a change in the cost of living adjustment thus does not diminish the deficit that the pension fund faces. To reduce it to the first \$24,000 without an inflation adjuster would reduce the value of the pension just when a retiree needs it the most in the waning years of his or her life. It would be far better to have the cost of living adjustment begin two or three years after a person retires – it currently begins after one full year of retirement - than to reduce the cost of living adjustment after years of inflation have already reduced a person's pension value.

The second comment is that state employees are not wealthy. I will give an example from my own wages before retirement. I was a professional employee at a pay scale just below supervisory level. I grossed more than \$50,000 a year when I retired about 10 years ago. My net pay was only \$35,000 a year after deductions for taxes, social security/Medicare, the pension plan, and a small amount for Deferred Compensation. That is not a lot of money to raise a family, pay \$1,000 to \$1,500 a month in a mortgage, and try to save for the kids' college expenses. A second income may not be available to help if a person is a single parent. Nor was \$35,000 in net pay much income for someone with a Master's degree. So putting any additional burden on state employees is adding to their financial challenges.

Third, state employees did not create the pension fund deficit. We paid our share faithfully every year. We should not be penalized for poor economic performance of investments or the lack of full payments into the system by the Legislature. The premise of a Defined Benefit pension fund is that the employees are not responsible for the performance of the fund. The proposed legislation negates that premise and makes employees responsible for something that they have no control over.

Fourth, the proposed legislation does not address the real problem: there is no dedicated fund for the pension system. Contributions to the fund from the State of Vermont are still a year-by-year decision that may include again short-changing the pension fund. Thus, future deficits may again occur. The Legislature must make it a priority in law to fully fund the pension system just as it is a requirement to fully pay every employee. As an employer, the State of Vermont has the same obligation as any other employer to honor the terms of employment. That means setting aside funds for bi-weekly paychecks, health insurance, and the pension fund. Those payments cannot be considered optional.

Fifth, the Legislature should take a different approach than the Rule of 92 to create an incentive for state employees to retire later. The approach that might produce results just as good as the Rule of 92 is to have incentives to continue working past minimum retirement time. The Legislature has made a good start by creating options for job sharing and reduced work hours. But it should go a step further and require supervisors to have a discussion with every employee who is within five years of retirement about these and other options. Employees are reluctant to begin this discussion so requiring it on the part of supervisors would make it easier to request options which create a better environment for older workers. Examples of options that would

create a friendlier workplace for older employees would include job sharing, reduced work hours, no night-time driving requirements, and lessening the amount of required travel (especially overnight travel). These sorts of things can be difficult for older workers. Offering these types of simple options for older workers could delay retirement for a few years, and that could have a sizeable impact upon the pension fund. This would also still allow for early retirement for those employees who need it due to health or other reasons.

Sixth, the projections of a pension fund deficit are just that: a projection. The projection is based upon many assumptions about future investment performance, age at retirement, and number of years in retirement. It is very unlikely that all of those assumptions will be correct and thus it is very unlikely that the projected deficit of more than one billion dollars will be correct. It is likely that there will be a deficit but the amount of the deficit is likely to be in error. As an example, it probably has an assumption that the average age at death will continue to rise. However, that is extremely unlikely because of the poor health of a very large part of the population. Diabetes, obesity, disease pandemics, and other factors are all likely to have the opposite effect and reduce the average age at death. Indeed, that is just what the statistics are saying: the average age at death went down over the last year or two. So while it is safe to assume that the pension fund will have a deficit, it is not safe to act upon the assumption that the deficit will be more than one billion dollars. Thus I would urge action on the current deficit but would also urge caution on assuming a large increase in the deficit in future years if the drastic actions proposed in the current legislation are not enacted.

Thank you for considering the impacts of your actions upon state employees and please moderate the impacts of the proposed legislation upon state employees.

Mike Ferrant

From: Patrick Roberts <proberts@rnesu.org>
Sent: Sunday, March 28, 2021 4:45 PM
To: Testimony
Subject: Teacher pension

Patrick Roberts
Otter Valley Union School
2997 Franklin St.
Brandon VT 05733

March 28, 2021

To Whom it may Concern:

My wife and I are teachers who have served our school community for over twenty years, and we have grave concerns about the proposed alterations to the Vermont Teacher Retirement System. Although there is much to say, I will organize my thoughts in two categories and I will try to be brief.

This will negatively impact Vermont for the foreseeable future:

- Vermont will lose its national competitive edge in recruiting teachers. As of now, teacher salaries in Vermont are at the national average. Our health benefits were recently diminished, and this proposal would move our competitive status in the wrong direction. Is this what we want?
- Our reputation as a state with a robust public education system will be sullied. My family, my brother's family, and countless others have been enticed to relocate to Vermont with the education system's reputation as a fundamental reason. If I had doubts about the quality of Vermont school systems, my move to Vermont would not have happened.
- Older, more expensive teachers will retain their positions longer, causing increased expense to local budgets. Local schools and communities will suffer, as will the quality of life in those communities. This, again, will make them less attractive to potential new residents.
- As stated above, Vermont teacher salaries are at the national average. In reality, this is not saying much. Teaching salaries simply don't compare well with those of other professions. More on this later.
- Vermont will have a shortage of qualified teachers in the future if it is not competitive in its offerings to teachers. It is a safe assumption that the best and brightest candidates will be lured to other states, and the less qualified and less marketable will end up in our state. Is this what we want?
- Do we really want to force elderly teachers to hold on to their jobs because they have no way out financially? Do we want to grow a population of teachers who feel trapped, disrespected, and duped by the system that employs them? Do we want a growing population of teachers at the top of the pay scale who are embittered and unmotivated? The current proposal is a recipe for exactly this scenario.

How does this proposal impact me and my family? Here are a few personal reflections:

- I am insulted beyond measure by the mere consideration of this proposal. In this time of pandemic, it is school personnel as much as healthcare and other essential-worker personnel who have made the choice to put their personal safety on the line in order to be of service. I have immunocompromised coworkers who absolutely should NOT be in the line of fire of this virus, but are standing tall and serving nonetheless. WE are doing our part to keep our society running. Although we do this without expectation, a financial bonus and a show of appreciation would be appropriate. Instead, we are met with the current proposal, an insult in the best of times and exponentially more insulting now, given the work that we have done in the past year.

Mike Ferrant

From: marcie_ln@shoreham.net
Sent: Sunday, March 28, 2021 5:48 PM
To: Testimony
Subject: Teachers' pension changes

Hi,

I'd like to express my concerns about the proposed changes to teachers' retirement. I am in my 60's and planned to retire in five years. I planned my retirement based on the information I've received yearly, carefully estimating costs of living. Reducing my benefits after I've contributed for almost three decades is wrong. It is too late to build an IRA to supplement my retirement income. I will have to continue to work to support myself at an age where I should be able to retire.

I am also concerned about who will take my place when I do retire. Vermont teacher incomes aren't competitive with neighboring states. There already is a teacher shortage and I fear there won't be quality teachers to replace those of us who are retiring soon.

Marcie HOEnes
Poultney High School

Comments on Pension Benefit Reform Proposals presented in House Gov Ops 3/25/21

General thoughts

I understand some changes need to be made to VSERS now to ensure the long-term benefit payments. I don't think the complicated proposal posted last week is the right path. If you can't explain to your own constituents what any components will do, be wary. Start with a smaller number of changes that are easy to implement right away and have a high certainty of moving things in the right direction without creating inequities or a cascade of unintended consequences. Do not create complexities that will require hiring more state workers or hiring contractors to implement. Revisit the pension plans with more frequent oversight in the future to see what effect any changes are having and to fully assess any proposals for more complex changes.

The proposal seems to be missing financial predictions in some places, or they differ from the Treasurer's report. It's not always clear over how many years these estimates are being run. Many of the background figures presented on Tuesday as the basis for this proposal should be run through 2040 to show what happens beyond the increased payments through 2038. Both the Treasurer's report and this proposal give predictions of savings without much sense of variation and with artificial precision. Get ranges rather than point estimates. Watch for ranges that include a risk of increased costs rather than savings (positive vs. negative numbers).

Consider the impacts of changes on employees who started state service young, middle age, or older; those who worked as their entire career vs. a second career; and different salary levels.

Additional revenue

This is the most urgent item in the proposal. Get more money into the pension fund as soon as possible to maximize returns. If you have to do this in multiple small batches, fine, just start and don't get bogged down in politics or larger budget or pension bills. Wherever new federal funds free up state funds, invest them in the pension fund as soon as possible. Before you create any new programs and projects, ask yourselves, should this money go toward existing obligations?

Employee contribution

Increased employee contributions are probably part of the solution. Like increased revenue, this makes intuitive sense. It will be relatively simple to implement. It is the change most likely to be tolerated by employees. I would pay slightly more to have more of my money held in an account under my name until I retire, for a collective benefit that may need to last a longer time based on some of my fellow employees living longer. If you make too many other plan changes or cuts, or if you do not match this with more state funds, employees will resist even this change and fight for increased salary or benefits in contract negotiations.

Increased contributions could be progressive, with a higher percentage for higher income employees who will end up getting a larger pension benefit. Increased contributions will automatically affect employees close to retirement less, since they will only pay those for a few months to several years. You can make this change without putting all of the burden on younger and/or newer staff after an arbitrary date cutoff.

Cost of Living Adjustment

A pension COLA threshold is worth considering as long as it protects lower income retirees. If there needs to be a COLA threshold, at least this added a CPI adjustment, an improvement over the Treasurer's plan. Thank you for making that change. The COLA should have a low positive percentage floor so it cannot be negative. You should request a bunch of scenarios of what this means for different pension amounts (minimum state wage, low, middle, and high) over different numbers of years to make sure this makes sense and will not hurt those who are less likely to have other retirement savings. Is \$24,000 now the correct threshold? Would multiple thresholds be even better? Is this all worth the implementation complexity?

Risk sharing provisions to employee contributions and COLA

The whole point of a pension is collective investment for a more predictable, less risky long-term outcome. If you add risk sharing to the pension that is combining the worst of both types of retirement plans – you're giving me more risk without giving me the additional control and options of an individual retirement account. These two parts of the proposal are completely unacceptable.

Variable employee contributions would be complicated and difficult to administer. There would be strange time lags between market performance, fiscal years, and all the factors that affect employee salaries throughout the year. Not just my future retirement benefit but my take home pay while still working would be unpredictable. I would have to keep more money in my checking account instead of putting it into the local economy because Wall Street might have a bad year.

Variable pension COLA would also be complicated, full of time lags, and punishing me for things out of my control. If current retirees shouldn't have to face changes because they don't have time to adjust their plans (despite getting a better pension and paying less years ago), why would you put in place unpredictability for me in my future retirement when I can no longer adjust my plans? Can you even adequately model the effects of periodically freezing and unfreezing a COLA?

Average Final Compensation

Changing the AFC basis from 3 to 7 years must be hard to model accurately, but it will certainly be a substantial pension cut to most employees. You should run some simple scenarios to have a clear picture of what this means. Most employees near retirement are beyond step increases or they are infrequent. My rough calculation is that for a 2.0% salary increase per year, the AFC change would cut the starting pension salary by 4.2%. If you're going to vote for that, you need to be able to say clearly that you support that sort of cut for the most experienced staff. You also need to watch out for a rush of senior staff who might have stayed longer instead retiring before their AFC and pension starting points drop. You're removing an incentive for experienced staff to take on complex managerial jobs. This isn't one of the biggest cost savings. I don't support it.

Vesting and effective dates

Why are you proposing a change in the vesting period? It is shown on slide 16 as a *cost* to the VSERS system (positive rather than negative). The amounts are close to zero, as discussed in prior hearings. I have to suspect that the only reason for doing this is to reduce the number of employees who are vested in the plan because you are planning future benefit reductions based on vesting status. The effect would be more turnover of new employees just after their training and experience start to

pay off, more withdrawals of future contributions, and less stability in the system. This will be cruel to those of us with just under 5 years of service.

Why are you protecting inactive vested employees from changes, when those people could have only the minimum 5 years, be far from retirement, and working in another state? Why are they better protected than mid-career vested employees who have more than 5 years in the system? If I am able to vest before changes become effective, should I leave in the interim for better benefits?

Note that 25% of current state employees are eligible for retirement within 5 years. While you need to provide clarity to stop panic retirements, it is not fair to exempt them from all changes and put all of the burden on only 75% of the workforce.

What is the effective date? Some discussions mentioned FY 2022, so that implies July 1, 2021, only 3 months away. You must have an effective date in mind to be able to model all this. As written, that date will be a sharp divide in whose pension will be cut by whatever combination of changes are made, and in which employees would be vested.

Changes to retirement age

The “defined benefit” isn’t a set number since many variables in salary can occur along the way, though it will get more predictable the closer one is to retirement. Employees on a pension tend to plan *when* they will retire, taking into account their own health, and the plans and needs of spouses, children, and elderly parents. For me personally the retirement age math tends to all work out the same, but changes to this timeline will be dealbreakers for many state employees.

Anxiety in the workforce and recruitment challenges

The legislature often creates additional work for state employees. Sometimes those don’t come with funding or positions. We’re coming out of a hiring freeze, with over 150 openings that promote great benefits. Will potential applicants believe that if they pay attention to the news? Will we maintain the workforce to implement all the programs you are planning with federal stimulus money?

In 2013, I moved from NY to PA for a more secure job. In 2016, the PA legislature couldn’t pass a budget and move federal funds, and we heard about possible university layoffs on the news. I moved to VT for a 20% pay cut and higher living expenses, but the stability of a regulatory job, good benefits, and all Vermont offers. I bought an old house in Barre City, moved my mom here, cleaned up the property, planted trees and perennials, spent tens of thousands of dollars hiring local contractors, with many tens of thousands yet to go. I thought with Social Security, a small TIAA account, a state pension (topping out at 42% of salary since I won’t have the full years), and paying off my house around the time I retired, I’d do OK despite the high cost of living here. Now thanks to another state legislature, I’m back into financial anxiety. I don’t know if I’ll be vested in September 2021 after all. Should I schedule home repairs for this summer or save that money? I don’t know.

Thank you,
Amy Galford

I submitted comments on the governance proposal separately on 3/25/21, this on 3/28/21.

To whom it may concern,

My name is Elizabeth Kielty Waters. I am currently in my fourth year teaching in the state of Vermont, and my tenth year in education. Previously, I taught high school students in Florida. In 2017, I moved from a state that has an incredible shortage of teachers due to the general lack of respect for the profession. Having experienced classrooms of 36 students, loss of the tenure program, decreases in funding for schools/supplies/students, having teacher's salaries tied to student performance and a multitude of other funding crisis resolutions, I was excited to move to a state that supported it's teachers and acknowledged the importance of education.

During the last year, the pandemic has highlighted just how important teachers really are. We reinvented the profession, practically overnight to accommodate our kids and maintain the sanctity of knowledge and learning. In doing so, we sacrificed our health (both mental and physical), our families, our time and our money to prioritize our students' wellbeing. Instead of being rewarded for our hard work we are asked to sacrifice more of what is owed to us by bargaining our pensions. Our healthcare plans and benefits packages have already been slashed within the last two years. Across the country, teachers are in high demand, fewer young people are looking to education as a potential career opportunity, and those qualified to do the job are leaving the profession at an exponential rate. Why? Because the respect given to teachers is diminishing. Local and state governments continue to use teachers as cash cows for various failing systems that are no fault of their own. There are no perks. The profession is generally undesirable. No one wants to work a thankless job for countless hours and years, where the benefits simply do not match the expected workload.

As a 29 year old, highly qualified professional, I am far from retirement. Additionally, I'm quite invested in my career. I spend long hours preparing for my students and vacation time participating in professional development opportunities to better myself for the good of the community through education. The benefits promised to me are well earned and undoubtedly owed. I do not see myself, or anyone for that matter, being able to sustain the level of commitment that I exhibit through age 67; that is unreasonable and unfair. The funds I invest in Social Security are already uncertain. Now the pension promised to me in signing a contract to teach in the state of Vermont is negotiable?!

The proposed changes to the pension plan will be harmful to all stakeholders. Generally speaking, an individual working under the new pension proposal would serve approximately 40 years, give or take, to earn their full pension. Practically speaking, that implies that they will spend more time at the top of the salary scale than the majority of teachers do now. (Keep in mind that the salary scale is in flux with new master agreements and contract negotiations occurring every x years. Essentially, the top end of the scale will likely be higher than it is now in 40 years, regardless of location.) These longer careers, sustaining larger salaries for longer periods of time will have economic consequences for local taxpayers and severely strain Vermont communities and local school budgets. These impacts will likely be more severe in more rural districts, where the salary schedules barely exceed the statewide average. (Additionally, these changes disproportionately affect women in the workforce as more than

75% of those in the teaching profession are women.) Moreover, to reconcile school district budgets, school board members will have to make the difficult decisions to cut positions, minimize supply budgets, and decrease the extracurricular and athletic opportunities available to students in order to keep taxes affordable to the general public so that families continue to reside in those communities. Those shortfalls will ultimately increase class sizes, decrease the quality of education, and increase the strife between teachers and the families and communities they serve. This trickle down of unintended consequences is most damaging to our students, who we are here to serve first and foremost, even through a pandemic.

While I respect the daunting task ahead of you to solve the pension shortfall, I urge you to take your time and consider all of the options available. I implore you to oppose any pension plan that slashes the benefits promised to teachers and ultimately puts the quality of education we offer our students at risk. Please keep quality education a priority in the state of Vermont by holding our students and communities at the forefront of your decision making.

Thank you for your time and consideration.

Sincerely,
Elizabeth A. Kielty Waters

Cynthia Burton
1528 Lake Road, Milton, VT 05468
802-373-8525
cindymburton@gmail.com

Testimony for state employee pension

March 28, 2020

As a teacher, I am mandated to contribute to the VSTRS. Every two weeks, funds are deducted from my paycheck and sent to a system for someone else to manage and invest for me-to secure my future. My future now looks dim with the proposals set forth.

These proposals not only jeopardize my family's security but also have repercussions on the quality of education for Vermont students and communities. School districts will suffer to meet salary requirements and health costs for older teachers. Public schools will grow stagnant with an older workforce lacking the innovations and energy brought by new teachers. Have you ever met a 67-year-old pre-K-12 teacher? I have not, ever!

Being a teacher is rewarding, but it is also taxing, especially during a global pandemic. Teachers not only teach children but also parent students, support families, feed students, counsel students while constantly adapting and adopting new practices.

Teachers work side by side with the children of Vermont and our commitment isn't confined to the classroom but extends into the home and community. Please nurture teachers, support teachers, but do not abandon us.

Teachers did not cause this problem, and we should not be asked to solve the problem through larger payments now and smaller pensions at retirement. The solution for the underfunding needs to be borne by the taxpayers.

I am completely opposed to this proposal and I hope you do too. I thank you in advance for your attention to this matter, your patience, and your understanding.

Sincerely,

Cynthia Burton

Franklin West Supervisory Union Teacher

I have been teaching in Vermont for 21 years. I love my job and my students, and I can't imagine doing anything else. It is truly my calling. While this past year has been incredibly difficult for all teachers, I still love going to work and spending time with young people. Teachers had just days to pivot the way we teach to accommodate a hybrid schedule, and to learn new strategies and ways to reach students. While it has been an exhausting year, it has also been a year of innovation and creativity.

Since the pandemic has forced teachers, and much of society, to think creatively in order to perform our jobs, it is time for you, the lawmakers, to find a solution to the pension funding shortage that is creative. It must hold teachers harmless for a problem that was not created by teachers. Don't break the promise and commitment made to teachers by the State of Vermont. As a woman, the breadwinner in my family, and a mother, your proposal to put the burden of mismanagement on me, and all teachers, feels disrespectful and unethical.

Mike Ferrant

From: oogs <oogs@burlingtontelecom.net>
Sent: Sunday, March 28, 2021 9:41 PM
To: Testimony
Subject: State Pension and Teacher Pension testimony comment. 3/29/21

Honorable fellow Vermonters: Legislators

I have worked over 30 years in Vermont. I have seen Vermont go from a state with the high values of equality and practice common sense, to the current state that benefits the rich and encourages a broadening wealth gap.

For 21 years I have worked for the State of Vermont, protecting its resources from the past mismanagement of the 1950s and impact from hazardous waste. I have provided crucial and timely science to safeguard the wellbeing of Vermont's population, and property owners. I currently play my part to streamline the process for engineering design of critical municipal infrastructure, and facilitate the process of securing the necessary loans and grants that make sewer and wastewater services possible.

Throughout my work I have countless times offered my own time when Vermont has been in need, whether during Tropical Storm Irene, whenever unexplained chemical releases have occurred, or now during the covid pandemic.

Although I am a licensed engineer I am dedicated to be a public servant.

Despite the fact that the State of Vermont pays a small portion of the market value of engineering salaries (and similarly of any other field), I see my duty to offer my effort to help Vermont as it finds a science-based sustainable path in the uncertain future of climate crisis.

It is in this framework that I find it impossible to recognize the State of Vermont that I thought I knew.

Vermont has always been a place where you give your word, and that is a contract.

We honestly negotiated a contract with the State of Vermont, and now the state is breaking it!

A contract binds us honestly. I have given more than a private consultant ever would. I know that because for 17 years I was a private consultant. State workers keep the essential infrastructure of the state working. The reason we choose to work for the state is because we know that we work for an honest place that upholds our values. State workers are the quiet vital workforce that makes private sector jobs, and private companies possible.

We are the planners, the loan processors, the regulators, the permit specialists, the road design engineers, the bridge designers, the road crews, the safety personnel and much more. Shortchanging our pension damages all of those vital services.

Breaking a contract is NOT a Vermont value. Keep our pensions as they are.

Changing the conditions of a negotiated and signed contract is nothing other than simply breaking the contract.

There are ways to safeguard our pensions fully, and with economic thoughtfulness.

Breaking our contract does not help Vermont's future.

The younger workers at the state see what is happening and realize that they have no future here. It is already difficult to enlist competent professional staff in a competitive market, and broadcasting that the state is willing to break contractual promises damages our honest name.

We have worked for our pension. We bind ourselves to a contract that prohibits us from taking action to protest, or to strike. The State of Vermont has an obligation to protect those of us who have given a whole lifetime of service. We cannot go and begin our lives over again somewhere. We are now aging, reaching retirement, with health conditions that restrict our daily lives. It is inhuman to take our pension from us. That is part of our honest contract and your honest part is to uphold it as it was agreed.

Respectfully submitted
Hugo Martinez Cazon, PE
Burlington Vermont

Mike Ferrant

From: Amy Skapof <amyskapof@gmail.com>
Sent: Sunday, March 28, 2021 10:10 PM
To: Testimony
Subject: Impact of Pension Fund Legislation

Dear Legislator,

On Monday I learned that the state of Vermont would like me to teach for 41 years to earn my pension. I have been teaching for 20 years, investing in my own funds with retirement at 31 years on the horizon. Moving the goalposts by an additional ten years is in itself an untenable solution. You have taken the vision I have had for my future and completely upended it. Not only does this proposal change the goalposts, but it also changes all of the rules I with my increased contribution and decreased lifetime benefits.

I have been investing in my own 403B with a 2031 retirement plan in mind. I have made contributions based on a promise the state made to me. That I'd have to work longer and get paid less- this would be important information 20 years ago.

This proposal is harmful to Vermont communities as well. Governor Scott has asked that lawmakers support efforts to strengthen our workforce. By creating an aging teacher workforce that burdens the property taxes by asking teachers to sit at the top of the pay scale, we are undermining the state's efforts to retain and attract a younger workforce.

Please look for other ways to repair the state's errors in funding the pension. It cannot be done on the shoulders of teachers.

Thank you,

Amy Skapof
Williston Central School

Mike Ferrant

From: Kari Dolan
Sent: Monday, March 29, 2021 12:38 AM
To: Stacy Gibson-Grandfield
Cc: Ann Cummings; Maxine Grad; Andrew Perchlik; Anthony Pollina; Testimony
Subject: Re: State Pension Written Testimony

Dear Ms. Gibson-Grandfield,

Thank you for reaching out with your letter regarding the State Pension system. I want to make sure that you are aware that the House Government Operations Committee is holding the second of two public meetings on this topic. I sent this information to the Valley Reporter and posted it on Front Porch Forum. Here it is again. You can also watch the recorded meeting; the Youtube channel is below. There is a link you can use to file written testimony. Please let me know if you are having problems with that link.

Regarding the state of the public pension systems, I am diving into the details to better understand the situation. If you do not mind, I will add you to my email list of folks to keep them engaged.

Thanks again for reaching out. Have a good evening,

Kari

Kari Dolan
VT State Representative
Washington-7 District
kdolan@leg.state.vt.us
(802) 496-5020

legislature.vermont.gov

PUBLIC MEETING/HEARING:

The House Committee on Government Operations held a hearing via Zoom on Friday, March 26, 2021, at 4:00 p.m. An additional hearing has been scheduled for Monday, March 29, 2021, at 4:00 p.m. Members of the public who would like to testify regarding the Legislature's work to stabilize the public employee pension system may sign up here: <https://legislature.vermont.gov/links/public-hearing-pension-system-reform>

Each person will have three minutes to testify. Both hearings will adjourn at 6:00 p.m. unless there are no persons remaining who have requested to testify, in which case the meetings may adjourn at 5:30 p.m.

If you wish to submit written testimony, please email an MS Word or PDF file to: testimony@leg.state.vt.us.

It will be live-streamed and recorded on the Committee's Youtube Channel: https://www.youtube.com/channel/UC_bfJARwDA10MhI9ET7PEQw/featured.

You can also go to the House Government Operations webpage, and click on "livestream," to access the Youtube channel: <https://legislature.vermont.gov/committee/detail/2022/14>.

Dear Members of the House Government Operations Committee,

I have several questions and comments related to the HGO proposal regarding the State Employees and Teachers Retirement Plans.

First of all, I think this is a rushed proposal with no accompanying analysis showing the impact or fiscal analysis results. The rushed nature of sending out this proposal at this time in the session does not allow for thoughtful and serious review and response. Limiting the public speaking sessions to approximately 40 respondents is also restrictive and unfair. The ramifications of this proposal are huge and restricting comment or review of this is not conducive to a good outcome. Please show some respect for the teachers and state employees in this process. This feels so rushed and cobbled together. Putting together a study group would alleviate some of these feelings.

The proposal negatively impacts all State Employees and Teachers, and the proposal attempts to solve the years of poor management, unsound investment strategies, and unfunded issues all on the backs of the employees. Other than a very small amount upfront, there is no additional input of funds from the State nor from the legislature in alternative funding. None of the issues of the retirement funds were caused by the employees.

The retirement plan is a major recruitment tool for the State to attract and keep the best and brightest. Also all the HR systems in place are based on the old plan – for example, the step system. If you make employees work longer until they get to the social security ages before they can retire, many long-term employees will have put in a number of years without any steps. An employee who starts work for the state at age 25 will max out on steps after 27 years. So, if they have to work until they are 67, that is 15 years of work without a step. If you go with this plan, you will need to revamp the step process to go along with the increased number of years of work.

The retirement plan is a promise made to employees when they start working. It is mandatory to sign on to, so it should be mandatory for the State to honor it. Employees make plans and assumptions based on what is spelled out to them at first enrollment, and annually in retirement statements. It is unethical and immoral to change that for employees now.

This proposal costs much more for employees and pays out much less. It delays vestment and retirement, and will not keep up with inflation, reducing the dignity of retirement for those that have served the State faithfully for years. The proposal details numerous areas that result in increased contributions to employees. The 1.1% increase in contributions is almost half of what our bargained raise will be as of July 1. That was bargained for in good faith - never imagining that almost half of it would be taken away. Also, why is the risk sharing for fund performance only applicable to employees - and not the State? Employees do not have input in or control any part of fund performance. Perhaps the Treasurer and the retirement fund managers should pay this

current eligibility – either age or number of years worked - not impacted in any way? Knowing the answers to these questions might mitigate some early retirements.

Thank you for the opportunity to express my concerns with this proposal. I feel it needs much work and effort to make it a fairer plan to address the issues. Please do not put this forth for implementation as is. Please take the time to deliberate and arrive at a more appropriate and fair proposal.

Lucinda Chornyak

Mike Ferrant

From: Andrea Hussey
Sent: Monday, March 29, 2021 6:59 AM
To: Testimony
Subject: FW: [External] Oppose the Pension Proposal

From: Elizabeth Waters <ewaters@ewsd.org>
Sent: Sunday, March 28, 2021 7:28 PM
Subject: [External] Oppose the Pension Proposal

[External]

To whom it may concern,

My name is Elizabeth Kielty Waters. I am currently in my fourth year teaching in the state of Vermont, and my tenth year in education. Previously, I taught high school students in Florida. In 2017, I moved from a state that has an incredible shortage of teachers due to the general lack of respect for the profession. Having experienced classrooms of 36 students, loss of the tenure program, decreases in funding for schools/supplies/students, having teacher's salaries tied to student performance and a multitude of other funding crisis resolutions, I was excited to move to a state that supported it's teachers and acknowledged the importance of education.

During the last year, the pandemic has highlighted just how important teachers really are. We reinvented the profession, practically overnight to accommodate our kids and maintain the sanctity of knowledge and learning. In doing so, we sacrificed our health (both mental and physical), our families, our time and our money to prioritize our students' wellbeing. Instead of being rewarded for our hard work we are asked to sacrifice more of what is owed to us by bargaining our pensions. Our healthcare plans and benefits packages have already been slashed within the last two years. Across the country, teachers are in high demand, fewer young people are looking to education as a potential career opportunity, and those qualified to do the job are leaving the profession at an exponential rate. Why? Because the respect given to teachers is diminishing. Local and state governments continue to use teachers as cash cows for various failing systems that are no fault of their own. There are no perks. The profession is generally undesirable. No one wants to work a thankless job for countless hours and years, where the benefits simply do not match the expected workload.

As a 29 year old, highly qualified professional, I am far from retirement. Additionally, I'm quite invested in my career. I spend long hours preparing for my students and vacation time participating in professional development opportunities to better myself for the good of the community through education. The benefits promised to me are well earned and undoubtedly owed. I do not see myself, or anyone for that matter, being able to sustain the level of commitment that I exhibit through age 67; that is unreasonable and unfair. The funds I invest in Social Security are already uncertain. Now the pension promised to me in signing a contract to teach in the state of Vermont is negotiable?!

The proposed changes to the pension plan will be harmful to all stakeholders. Generally speaking, an individual working under the new pension proposal would serve approximately 40 years, give or take, to earn their full pension. Practically speaking, that implies that they will spend more time at the top of the salary scale than the majority of teachers do now. (Keep in mind that the salary scale is in flux with new master agreements and contract negotiations occurring every x years. Essentially, the top end of the scale will likely be higher than it is now in 40 years, regardless of location.) These longer careers, sustaining larger salaries

for longer periods of time will have economic consequences for local taxpayers and severely strain Vermont communities and local school budgets. These impacts will likely be more severe in more rural districts, where the salary schedules barely exceed the statewide average. (Additionally, these changes disproportionately affect women in the workforce as more than 75% of those in the teaching profession are women.) Moreover, to reconcile school district budgets, school board members will have to make the difficult decisions to cut positions, minimize supply budgets, and decrease the extracurricular and athletic opportunities available to students in order to keep taxes affordable to the general public so that families continue to reside in those communities. Those shortfalls will ultimately increase class sizes, decrease the quality of education, and increase the strife between teachers and the families and communities they serve. This trickle down of unintended consequences is most damaging to our students, who we are here to serve first and foremost, even through a pandemic.

While I respect the daunting task ahead of you to solve the pension shortfall, I urge you to take your time and consider all of the options available. I implore you to oppose any pension plan that slashes the benefits promised to teachers and ultimately puts the quality of education we offer our students at risk. Please keep quality education a priority in the state of Vermont by holding our students and communities at the forefront of your decision making.

Thank you for your time and consideration.

Sincerely,
Elizabeth A. Kielty Waters

CONFIDENTIAL COMMUNICATION. THIS MESSAGE MAY NOT BE FORWARDED.

The information contained in this communication, including any attachments, is confidential, constitutes privileged communication, and is intended only for the use of the addressee. This message may not be forwarded without prior consent from the sender. The information in this e-mail is also protected by the rights afforded under Family Educational Rights and Privacy Act (FERPA) and school district policies. Any unauthorized use, forwarding, distribution, disclosure, printing or copying is strictly prohibited and may be unlawful. If you have received this communication in error, please notify us immediately at 802-857-7777 or return e-mail, and delete any copies of this message immediately. Any inadvertent disclosure of this communication shall not compromise the confidential nature of the communication.

This message has originated from an **External Source**. Please use caution when opening attachments, clicking links, or responding to this email.

Madam Chair and Members of the Government Operations Committee:

Thank you for the opportunity to submit written testimony in regard to the pension reform proposals. It's unfortunate that, at least to this point, the testimony in the public hearing has been almost entirely from teachers. I don't know how the NEA got all their members in and signed up so quickly, but I think it's important that you hear equally from employees of the State of Vermont too.

I will spare you the "don't do this to me" and instead focus on focus on some specific issues that are of concern.

First, I will say that the proposal to allow employees who are at or within five years of retirement a "safe harbor" from any changes was a welcome and necessary component. Without such a provision it's highly likely you would see a mass exodus of employees, perhaps upwards of 800, which could severely impact the state's ability to provide services to our citizens. So please keep that provision to provide some buffer. It would be nearly impossible for people within that range to be able to save the additional money to offset the losses in pension benefit. (by the way, on a number of occasions committee members have asked how many employees are eligible, what certain department's look like, etc. - you can find that information in the [Department of Human Resources Workforce Report](#). There's an entire section devoted to retirement eligibility starting at Table 40).

One provision is to reduce or eliminate the COLA and I see this as problematic from many perspectives. While members and witnesses have alluded to the decrease in purchasing power over time because of the effects of inflation without a COLA adjustment no one's really provided any kinds of numbers to allow you to really see the negative impact. Running some of these numbers shows that with of an assumed inflation rate of 2.5% (and no COLA) that at 10 years for each \$1,000 would only be worth \$776 in buying power, at 20 years for each \$1,000 it's only worth \$603, and at 25 years your \$1,000 is only worth \$531. This kind of impact would hit retirees in their elderly years and obviously have a serious consequences for them. I think that the loss of COLA is one of the things that frightens employees the most. For most it would take many, many years to save up enough money to offset the loss of buying power.

There has been a proposal to provide the COLA up to \$24,000 based on the fact that the current average pension payment is at that level. You have to realize that the current average pension benefit includes people who retired five, ten, even 20 or more years ago when their wages were much lower than our current wage rate. Again, data from the workforce report shows that the current average salary of a classified employee at the end of FY20 was \$63,858 so presumably the average pension is going to be somewhere around \$32,000 going forward. This is the more accurate number. If a reduction or elimination of a COLA is part of any plan, I would implore the committee to look at some kind of sliding scale that would adjust the amount that would be covered by COLA based on the prevailing average salary of employees or other factor rather than choosing an arbitrary number presumably going indefinitely into the future.

There's the old commercial that says "this is not your father's Buick" but this plan is truly your father's retirement plan. It seems designed for an era that is no more. It makes assumptions that our current labor pool chooses an employer and stays with that employer for their entire career and we know that's not the case. Statistics show that most young people coming into the workforce will hold six or seven jobs over the course of their career. This goes to the question of retirement eligibility. You have pegged that to be 67 years old and tying that to the Social Security full retirement level. The expectation that an individual would have to work well beyond what is traditionally 30 years to get a retirement benefit is terribly flawed.

It is difficult enough to attract talent to work for the State of Vermont. In general, although not always, our wage rates are lower than the private sector. We do have a superior benefits program and the defined benefit pension is part of that. With this proposal we will become much less competitive as an employer especially to younger candidates. How are we to recruit young people who we want to keep in Vermont? Just for the sake of a round number: if we're hiring a 20-year-old, we've got to tell them that they would be eligible for retirement benefits in 47 years. There are few people who work for 47 years let alone 47 years for the same employer! There doesn't appear to be any early retirement provision present in your plan so how are we to attract these individuals? I would urge you to reconsider this arbitrary age defined criteria for receiving retirement benefits. Next to the loss of COLA this is extremely concerning to employees.

One answer would be a hybrid plan. I was fully expecting your proposal to include the possibility of such a plan which would be a mandatory defined benefit plan and an optional defined contribution plan with some kind of match. In the documents that you received from witnesses it showed that it is a very common type of plan in other states. Many perspective employees don't come to work for the State of Vermont their entire career and a portable component to retirement savings would be very attractive. In addition, because of the impact of the loss of COLA employees are going to have to save more to make up for the loss of buying power in their later years. You're going to need to incentivize that and a DC program with a match would be one step in that direction.

It's quite possible that one part of the proposal that you might gain acceptance is higher contribution rates although I know that this is not going to solve the problem entirely nor be popular.

Just briefly on a related topic, I fully support the proposals around changes in governance. It seems to me that understanding and improving the investment management of the pensions is the first problem to be solved before making draconian changes to the pension plan. I found it ironic, self-serving and if it weren't so sad, a bit amusing, that all of the players, including the honorable Treasurer, were falling all over themselves to say "don't do this to me," "take your time," and "we need a summer study committee": the very things that employees are saying! But the request from employees as of this point has been summarily dismissed.

In closing, let me be clear that I do not support the proposal in its current form. But I'm not sticking my head in the sand and thinking the problem will go away and I'm trying to offer some constructive feedback to you. I honestly think to meet the goals that you have outlined you're going to need more time to design a retirement benefits structure that fairly shares risks and would not put the State in the position of being a second class employer. I think it was Representative Anthony who said perhaps there are some things that can be done now instead of making wholesale changes that would have negative and irreversible consequences.

Respectfully,

Douglas Pine

Mike Ferrant

From: Andrea Hussey
Sent: Monday, March 29, 2021 6:59 AM
To: Testimony
Subject: FW: [External] Testimony regarding pension

From: Siddhe <siddhe.aula@yahoo.com>
Sent: Sunday, March 28, 2021 11:14 AM
To: Andrea Hussey <AHussey@leg.state.vt.us>
Subject: [External] Testimony regarding pension

[External]

To the Vermont House Committee On Government Operations:

I am writing to offer my testimony on the proposed changes to the Pension plans for all State employees.

My name is Aula Smith, formerly Aula DeWitt. I am 64 years old and work for the Agency of Human Services in the Division of Economic Services as the Reach Up Supervisor in the Brattleboro District. I live in Chester, VT.

When I graduated with my shiny new Bachelors in Social Welfare in 1979, I returned to my parents' home in Sunderland VT hoping to find work in Vermont. I did not, and found myself enjoying hard work with children with mental and behavioral health issues in non profits first in the Berkshires of MA and, later, in Florida. Social work is not a high paying field. Working for non profits similarly so. I spent much of my money paying off college loans, and often rolling coins near the end of pay periods in order to buy groceries despite often working 2 or 3 jobs. Even so, I was able to start a 403B when i was in my 30's and contributed to it faithfully, particularly after the pension plan I had had with the second non profit I worked for went belly up in the late 1980's.

In 2004, I found that the only way to obtain a higher income, better job security and a pension was to take a State job. I bit the bullet, leaving behind the non profit work I so enjoyed but could not afford to remain within, moved back to Vermont and became an ESD Eligibility Supervisor. Not coincidentally this brought me and my son near to my aging parents, which was important to all of us. I built my retirement plans around the pension, along with the Deferred comp plan i rolled my 403B into, and Social Security retirement.

We all have repeatedly read reports for years that Social Security is not dependable. Thanks to Congress for robbing its funds repeatedly and failing to repay what they 'borrowed', all of us face the strong probability that it will vanish before our need for the funds which we contributed to it, by law, end. In making my retirement calculations i have been abundantly aware of this and tried to factor that in. Now the State of Vermont, you, are saying, that the fund which i trusted you to manage effectively will be more costly for contributing workers and pay out less, after requiring people to work until their Social Security retirement age, a number which has increased more than once in my working years and is not guaranteed to remain unchanged. I did a lot of math, I spoke with the Retirement office, and determined that with the lack of clarity around what you all would do and when it would be effective, is in my best interests to retire. Now. Before you can diminish my income and benefits. My papers have been accepted irrevocably and I will retire effective June . And, to safeguard my income as much as possible a move to Florida, where Social Security income is not taxed, is planned once my home sells, which will probably be mid summer. I am, therefore, removing my financial contribution to Vermont's tax base and local economy, in part because of the changes to the pension plans under discussion. Perhaps if you all had chosen to take more time in your process I would have stayed longer, but the rush to do something immediately was clear so my decisions had to reflect that.

That is my story, but it is not all of it. As a supervisor, I have recruited staff for 17 years. I have recruited for State positions, State Temp positions and positions provided by Temp Agencies. It has been noteworthy that the number of applicants for the State positions often exceeds 40 when the position has been posted for ten days, but the number of recruits for either of the Temp positions, neither of which offer benefits, is abysmal, with re-posting often being required to

To: Representative Arrison

Re: State Employee and Teacher Pensions

Hello John:

I am writing to you today because I am gravely concerned about the current proposal in the House from Speaker Krowinski regarding state employee and teacher pensions.

But first, congratulations on your election to the House. I am confident you will do as good for our state as you have our town.

I assume you remember me, but by way of background: I am your neighbor up the road. I have been a state employee for 29 years (combined part and full time). I have served as a part-time police officer with Springfield and Weathersfield Police Departments since 2005. For the last 24 years, I've been employed full time as an Environmental Enforcement Officer with the Vermont Agency of Natural Resources with a 40+ town district in southeast VT, including Weathersfield. My wife Kirsten and I moved from northern VT and have lived in Weathersfield since 2000. She has taught grades 1-3 at the Weathersfield School since 1998.

When we entered public service, we knew we would be making some sacrifices compared to the private sector – particularly with our incomes. But we also knew that we would have the potential for very rewarding careers while serving the people of Vermont, even though the path would be bumpy, harrowing and occasionally downright hazardous. We also knew that we would have a good benefits package for our young family and the guarantee and security of our pensions after thirty long years of service.

We have counted on that pension benefit remaining what was agreed to, just as surely as we count on our mortgage or car loan to remain the same. Just as surely as when we buy a major appliance, we don't expect the store to call us up later and say "we really sold that to you cheaply. We are going to need some more money from you now."

The Speaker's proposal is backing away from a promise. We, and many other state employees and teachers have devoted our lives to our jobs. Aside from the inherent rewards of our positions, in return we only expect our specified compensation and benefits. The most important of which, few would argue, is our pensions.

The proposal to fix the underfunded state employee and teacher pensions is aimed squarely at employees to make up the shortfall. It offers a relatively small amount of "state money" - which, as I understand it, is really federal money anyway. It was with a sinking feeling in my stomach that I studied the Speaker's plan and learned of the details. How could it be even worse that the Treasurer's proposals from this winter?

One of the very worst parts of this plan is the requirement to have us work until we are at least 67 years old. I am supposed to be done at 57 and Kirsten at 60. We had plans for these years! Nothing extravagant, we would still be on a tight budget, but we were going to be free.

I will note another provision in the proposal which states it will not apply to employees within five years of retirement. I want to be clear that I am actually already (barely) within five years of retirement. But I see this as divisive to the Union membership and possibly geared, at least in part, to appease and silence many important members. Also, like any part of the plan, it could be changed at any time. Next week it might say three years, or one... or none.

The speed at which this proposal was formed and advanced is unsettling and unheard of too. I understand the unfunded liability needs to be fixed, but this is not an emergency. The problem developed over decades from what I understand were incorrect predictions and poor investment strategies. It did not come about through and actions or omissions of state employees and teachers. Yet the proposal seeks to solve it on our backs.

This urgency is manifesting as recklessness. If the plan were to proceed this session, it would allow no time for employees to assess their own situations and make an informed - but still impossibly difficult - decision of whether to stay or leave the system and preserve the retirement terms they joined under.

I think I will not make this letter any lengthier by going over the rest of Ms. Krowinski's plan, as you can read it for yourself. I will just say that we are opposed to all of the numerous facets of the proposal. All of them combine to hurt all or most of the current workforce and serve as a major disincentive to new and future employees.

I ask that you do what you can to stop this particular proposal and slow down the process of finding a fix in general. Our union provided us with some suggestions for the Legislature early on, when we first saw - and opposed - Treasurer Pierce's recommendations:

- Advocate for a summer study committee to look at the impact that these proposals would have on the state workforce and the Vermont economy.
- Support the use of any available one-time money— either federal relief or any other available funds— to address the unfunded liability.
- Identify a dedicated revenue source to support the retirement system moving forward. One bill that would achieve this is S. 59, which would create a temporary income tax surcharge on income over \$500,000.
- Support S.43, a bill which would recognize that the agreements between the State and its employees when it comes to retirement have the full force of contract law.

I'm sure there are many ways the funding issue can be solved without hurting state employees and teachers. But it will need careful research and planning, not a knee jerk reaction.

Please feel free to email me at timandkirsten@vermontel.net or you can call me at home 802 885 1139. I look forward to hearing from you.

Thank you for your good work and careful consideration in this very important matter.

Best,

Tim McNamara

Weathersfield VT

cc: Honorable Representative Members, House Committee on Government Operations

Written input

Karen Poulin
293 Juniper Ridge
Shelburne, VT

karencp251@gmail.com
(802) 985-3292

There are many reasons why the current state retirement plan changes are ill advised and draconian, but the one I will focus on is what happens if these changes are made.

If teachers must pay more into their retirement, have smaller payments once they retire, and the cost of living adjustments are reduced, then THEY WILL HAVE TO DELAY RETIREMENT. Their retirement planning is based on the payouts the pension system has promised them. It would be like slashing your IRAs in half right this moment - catastrophic, life altering, requiring decades to recover from.

If teachers must delay retirement, then the school district's predicted rates of staff turnover will be incorrect. Typically, a school district is likely to lose a certain number of the most highly paid teachers each year and can then replace those teachers with lower paid less experienced staff. If those most highly paid staff cannot retire at the predicted time, then SCHOOL DISTRICTS ACROSS VERMONT WILL HAVE TO PAY HIGHER SALARIES and HIGHER CONTRIBUTIONS TO THE RETIREMENT SYSTEM FOR THOSE TEACHERS for years longer than planned for.

Who pays the taxes to fund the schools budgets?

THE TAXPAYERS IN THE TOWNS (including the teachers themselves - your constituents and neighbors - not some greedy, overpaid group of people).

The burden of the retirement system which the state government has underfunded for years is being placed squarely on the citizens and the teachers who have paid in all that has been asked of them for years.

GO BACK TO DRAWING BOARD. THIS PLAN WILL HURT ALL THE CITIZENS OF VERMONT.

To the Vermont House Committee On Government Operations:

I am writing to offer my testimony on the proposed changes to the Pension plans for all State employees.

My name is Aula Smith, formerly Aula DeWitt. I am 64 years old and work for the Agency of Human Services in the Division of Economic Services as the Reach Up Supervisor in the Brattleboro District. I live in Chester, VT.

When I graduated with my shiny new Bachelors in Social Welfare in 1979, I returned to my parents' home in Sunderland VT hoping to find work in Vermont. I did not, and found myself enjoying hard work with children with mental and behavioral health issues in non profits first in the Berkshires of MA and, later, in Florida. Social work is not a high paying field. Working for non profits similarly so. I spent much of my money paying off college loans, and often rolling coins near the end of pay periods in order to buy groceries despite often working 2 or 3 jobs. Even so, I was able to start a 403B when i was in my 30's and contributed to it faithfully, particularly after the pension plan I had had with the second non profit I worked for went belly up in the late 1980's.

In 2004, I found that the only way to obtain a higher income, better job security and a pension was to take a State job. I bit the bullet, leaving behind the non profit work I so enjoyed but could not afford to remain within, moved back to Vermont and became an ESD Eligibility Supervisor. Not coincidentally this brought me and my son near to my aging parents, which was important to all of us. I built my retirement plans around the pension, along with the Deferred comp plan i rolled my 403B into, and Social Security retirement.

We all have repeatedly read reports for years that Social Security is not dependable. Thanks to Congress for robbing its funds repeatedly and failing to repay what they 'borrowed', all of us face the strong probability that it will vanish before our need for the funds which we contributed to it, by law, end. In making my retirement calculations i have been abundantly aware of this and tried to factor that in. Now the State of Vermont, you, are saying, that the fund which i trusted you to manage effectively will be more costly for contributing workers and pay out less, after requiring people to work until their Social Security retirement age, a number which has increased more than once in my working years and is not guaranteed to remain unchanged. I did a lot of math, I spoke with the Retirement office, and determined that with the lack of clarity around what you all would do and when it would be effective, is in my best interests to retire. Now. Before you can diminish my income and benefits. My papers have been accepted irrevocably and I will retire effective June . And, to safeguard my income as much as possible a move to Florida, where Social Security income is not taxed, is planned once my home sells, which will probably be mid summer. I am, therefore, removing my financial contribution to Vermont's tax base and local economy, in part because of the changes to the pension plans under discussion. Perhaps if you all had chosen to take more time in your process I would have stayed longer, but the rush to do something immediately was clear so my decisions had to reflect that.

That is my story, but it is not all of it. As a supervisor, I have recruited staff for 17 years. I have recruited for State positions, State Temp positions and positions provided by Temp Agencies. It has been noteworthy that the number of applicants for the State positions often exceeds 40 when

the position has been posted for ten days, but the number of recruits for either of the Temp positions, neither of which offer benefits, is abysmal, with re-posting often being required to obtain at least 1 or 2 candidates who are interested in the position and meet at least the minimum qualifications. Further, if the Temps do not find a clear path into State Work, they tend to leave within a year or so. Most applicants are women, many who are single parents. Training a new ESD Reach Up Case Manager or Benefits Program Specialist takes a good year to two years. It is vitally important to identify and retain qualified people who care about the clients whom they work with. If the pension plan continues to be reduced, or shifted to a 403B type of plan, qualified applicants will drop significantly. Many people with advanced degrees can make more money in the private sector, although maybe not in social work in Vermont.

To be competitive with private industry, which may well offer higher wages, the State must offer better benefits. Leave time is nice, but what often tips the scale is the pension. Continuing to snip away at it makes it less likely to be that important factor. Conventional wisdom relates that our youth are moving away from Vermont because they cannot find work in their field here. As a parent I am abundantly aware of that as my 25 year old is now relocating to Alabama after being unable to obtain work in his field in Vermont since his 2018 graduation from LSC [now NVU]. His best friends from high school have ALL done so as well, he is the last of his friend group to decide to leave. Vermont must find ways to encourage our youth to remain, with affordable available housing, decent employment options state-wide, and offering a solid, dependable, reasonable pension plan can and should figure into that offering. A well managed defined benefit plan is far superior to a defined contribution plan in that it will not be exhausted.

Oh, and that retirement plan should offer a liveable income. My 17.5 years will provide me with \$17K gross, roughly a \$55K pay cut. That makes me eligible for 3Squares and Fuel Assistance until i file for SSA benefits, which i do not plan to do immediately. There are a lot of unintended consequences to reducing the pension: use of public benefits, loss of qualified applicants, contributing to the out-migration of our youth, diminished property tax income from retirees, increased payroll expense as employees work to a later age at a higher income, diminished job satisfaction of current employees potentially resulting in early departures for jobs elsewhere which pay more. I exhort you to take a step back and find time to thoroughly examine all the repercussions of changing the pension v. finding ways to keep it intact as it currently stands. A summer study, at least, should be undertaken. Things of this magnitude should never be rushed.

Thank you for your time.

Aula Smith

27 Cross Rd., Chester Vermont

ESD Reach Up Supervisor, Brattleboro

retiree June 1, 2021

Mike Ferrant

From: Rosie Manning <wellnessbyrosie@icloud.com>
Sent: Monday, March 29, 2021 8:10 AM
To: Testimony
Subject: Re: Pubic Testimony on State Pension

Hello,

My name is William (Bill) Gray. I am at least a 7th Generation Calais, Vermont resident. My entire family lives in Calais, My Grandfather ran a small family farm here, helped write the town's fist zoning laws, and even used to deliver eggs to legislators in Montpelier. My mom was a school teacher in Vermont as well as her mom before her. My dad worked for Washington Electric Coop and served on the zoning board for the town for several years. I grew up in Calais, attended the Calais elementary school, went to U-32 school, and then went to Vermont Technical College and obtained my Associates degree in Civil Engineering. When I came out of VTC with my degree I had numerous job offers. I had job offers from private contractors as well as consulting firms, all of which offered me more money. They also offered me benefits like vacation time, and even health insurance, etc., but the one thing they could not offer me was a defined retirement system. The state told me I could retire after 30 years of service, so I gave up more money for retirement. I have been offered numerous other jobs, and not just in Vermont, I have been offered jobs in New Hampshire, New York, even as far away as

California. I never once thought about leaving Vermont. I am a Vermonter! However, now that I have 24.5 years of service I feel like I am getting stabbed in the back. To add insult to injury I have spent most of my career in the construction trade, rarely working just a 40 hour work week. My work weeks were often 50, 60, 70 and yes sometimes even as many as 80 hours a week! I bought my grandparents' 1836 farmhouse and barn and have rebuilt it, to get it back into the shape that my family can be proud of. When I started working for the state I made \$8.63 an hour. I didn't have extra money to put into deferred compensation plans or investments. I often would work 2 or even 3 extra jobs on the side for some extra spending money. In planning for my retirement I have concentrated on paying extra on my mortgage every month, paying my taxes, and my bills, all on time. Often going without to make sure I was debt free in anticipation of my retirement. In discussing this with one of your colleagues he mentioned to me that my retirement was in the farm house. I wanted to literally puke and then cry. Was he really telling me that in order to retire I would have to sell the family's 1836 farmhouse and land after 7 generations? I have been planning for my retirement for over 20 years! I do not know anyone that plans for retirement the last 5 years of their career! So to only grandfather in the people within 5 years of retirement is insane! That is putting it as politely as I can, as someone who could potentially miss the date by 6 months! I can see changing the system for new hires, or people that are not vested. Or maybe even for people that have spent less than 15 years working for the state. But How can you do it for someone that is already more than halfway through their career?

Furthermore, even though I work for the Vermont Agency of Transportation, I have been working with assisting the Department of Health and the Vermont National Guard since last December. While the rest of the state was staying safe and working at home I was out delivering essential PPE to all of the small health care facilities around the state. Working overtime every week and driving 200, 300+ miles a day in snowy, icy conditions. It didn't matter the road conditions, the weather, I went and I did it and would do it all again. All to help my fellow Vermonters during this pandemic. I can not understand how this state could ask someone to put their life and their families lives at risk to do this, and then turn around and tell them the agreement that we made 24.5 years ago is no good.

These proposals have made me literally sick! I am disgusted by this, the house's proposal would have me working 45 years instead of 30 years. Also, why should I believe that the money will be there in an additional 15 years? It was supposed to be there for me at 30 years? How does the state expect me to work that many hours a week, or be a field technician driving all over the state for that many years? The same state that I grew up in, and used to be proud to tell people, "I am a 7th generation Vermonter." has now made me wonder if maybe I made the right decision? If maybe my friends that left the state to make more money elsewhere were right? For the first time ever, you have made me wonder if maybe I should cut my losses and run? Why would I stay and keep going down this road, this was not what I was promised, not what I envisioned for my family, or my future. Maybe the 7th generation, dedicated Vermonter, has NO place in Vermont anymore? These proposals are not in the states best interest, period. The state should be ashamed to ask it's hard working

state employees to take this burden on given the things we have done throughout this pandemic to keep this state running.

William Gray

24.5 year, State of Vermont

Agency of Transportation Dedicated Employee

We are writing to express our concern regarding the House Government Operations Committee's proposal shared March 24, 2021, which details significant changes to the teacher retirement system.

As VT Digger's Lola Duffort reported the day the proposal was released, state employees are being asked "to shoulder the bulk of the system's expanding unfunded liability." In addition to significant reductions in future cost-of-living adjustments for the approximately 8,500 employees currently employed by the state of Vermont, the proposal also changes the Average Final Compensation calculation from a teacher's highest three years of salary to seven years. In other words, it will lessen the dollar amount upon which the benefit is calculated, thus lowering the overall amount of the pension each teacher will receive. Additionally, teachers will be required to increase their contribution rate to 7.25 percent of their salary -- a significant increase from the 5% or 6% that teachers currently pay, depending on when they were hired.

Chris Rupe of the Vermont Joint Fiscal Office presented, on Feb. 26, 2021, several contributing factors to the current unfunded liability that the House Government Operations Committee's proposal aims to address. However, nearly 50% of the change is due to an accounting change -- assuming a 7% vs 7.5% rate of return. These are not actual deficit dollars, but rather an adjusted anticipated rate of return on investments. While this updated actuarial assumption may be more accurate, it does not reflect an actual loss in dollars as it might appear. Further, the mitigation strategies proposed by the Committee put nearly all the responsibility on the employee. The proposal contains no commitment for additional funding other than "to the extent any additional federal dollars or excess revenues are available." We now know \$150 million will be contributed to the retirement fund this year, presumably utilizing federal relief funds.

Several teachers in the Addison County Central School District (ACSD) recently shared their concerns and perspectives on this proposal with the ACSD School Board. Their frustration lies in the fact that not only have they paid every penny that has been asked of them, teachers have already compromised and paid a price for the consequences caused by years of underfunding. In 2010, in a good faith effort to solve the problem, teachers agreed to increase their contribution -- from 3.5% to the current 5% or 6% -- and increase the number of years required to work in order to earn full retirement benefits. In short, teachers feel this is a breach of contract.

We stand with our teachers in opposition to the March 25 proposal and urge the legislature to seek alternative solutions to address the pension's funding issues, rather than placing the burden on the backs of the teachers. We feel their perspective is more than reasonable, as the average teacher pension is \$21,000. The poverty level for a household of four in 2021 is an annual income of \$26,500. The proposed changes to the pension system strip away the financial security that teachers have earned, have always paid their share into, and have been promised. We ask for our Vermont Legislators to stand with their teachers and find a fair solution to this problem.

Mr. Rupe acknowledges Vermont has one of the least generous pension plans, yet employees pay approximately the median. We cannot exacerbate this problem by asking teachers to pay even more and receive even less in return. We believe Vermont Legislators need to be more creative in its solutions, such as those offered in Bills H.119 and S.59. We support and encourage further discussion of these bills and additional mitigation strategies that do not focus on further burdening our teachers.

Thank you for your support,

Jennifer Nuceder

Amy Gibans McGlashan

Mary C. Gill

Barbara Wilson

Mary Heather Noble

Lindsey Hescok

Written testimony against the current pension proposal

Jared Bailey
32 Indian Brook Road
Essex, VT
05452
jaredbailey802@gmail.com

To whom it may concern,

I am asking you to reconsider the pension proposal that is being considered from the House Committee on Government Operations. I am currently in my 17th year of teaching. I love my job, I can't imagine doing anything else. I am privileged to teach and live in Chittenden County. My property taxes are higher than in other parts of the state, but as a result, I'm also paid fairly for the job I do relative to my colleagues elsewhere. The two largest state deductions from my paycheck are my healthcare costs and my pension. My healthcare increased 2 years ago through a process which I felt extremely removed from, as it moved to a statewide system. I have entirely no say regarding my participation in my pension, or how much is taken out. Your plan to take even more out of my paycheck while asking me to work a minimum of 10 extra years in order to get that money back is insulting. Under this proposal, I will retire at 67, with 44 years of service as a classroom teacher. So instead of the rule of 90, I would be the rule of 111. That doesn't seem fair to do. It seems like a breach of contract. A promise is a promise.

I'm also wondering if you folks have thought of the chilling effect this will have on municipal and school budgets, and thus property taxes as teachers, administrators, paraprofessionals, health care workers, state and municipal employees work longer with most being at that point being the highest earners. For me to teach an extra 10 years (age 57-67) will conservatively cost the school district around 1 million dollars. Now multiply that by every teacher my age. This will send budgets out of control by no fault of the people in the situation. Maybe that's your plan? I certainly hope not.

If this proposal advances, you will ask me to contribute more out of every paycheck I receive for the next 27 years. My understanding is that the other option that had been offered was a wealth tax on individuals earning more than \$500,000 annually in our state. I'm sure there are other options too, but let's consider that one as it seems it was the plan B. By asking every teacher, state employee, etc to give more to a system you broke seems unjust. That individual making more than \$500,000 earns at least 7 times more than I do. Again, 7 times more per year for every year we both work. And I'm a teacher who earns more than many other teachers and state employees. So if you choose to accept the current proposal, please spare me the hollow words of teachers, health care workers, AOT employees, and many more being heroes during a pandemic. Please don't thank me for doing the job I do, or saying how without the selflessness of teachers, our students would fare far worse than students in other states. You clearly don't mean any of it. Your constituents, the people you choose to protect the most, are the wealthy individuals of our state. You are making a clear statement that their money means more than mine and they are the real value to the State of Vermont. Not me, or the snowplow driver working 80+ hours a week during a winter storm, or the health care worker delivering vaccinations during the day and contact tracing on nights, weekends, and holidays. Your promise to us is not as important as your commitment to protecting the most well off. So stand up and be counted and let the people and voters of Vermont know whose side you are on. You owe us at least that. If you can't do that, let me hear what Plan C is.

Thank you,
Jared W Bailey

March 28, 2021

Public Hearing on Pension Stabilization

To Whom it may concern:

My name is William D. Bruner. I am a full time resident of Hyde Park, Vermont. I have been a financial advisor for 43 years. I have worked for the same company for 42 years managing financial assets for individual clients and various institutions.

Thank you for providing the opportunity to offer my advice on the Vermont Pension Stabilization. The following are my observations/suggestions.

The corporate world has long since (40 years) abandoned the use of defined benefit plans due to their high expense and difficulty in administration. DB plans require the employment of actuarial firms to estimate future interest rates, equity returns and life expectancies in order to determine what is needed to deposit into a pension fund for the future retirement needs (30+years) of an employee. Multiply this by the number of employees with various ages, health issues and life expectancies makes calculations that much more difficult. Most, if not all, current corporate plans are defined contribution plans such as 401Ks, SIMPLE IRAs, IRAs and Roth IRAs.

When it comes to public sector pension plans, I rarely ever see one that is "fully funded". Today most public sector pension systems are severely underfunded for various reasons. The primary reason is "kicking the can down the road". Elected officials postponing contributions to the DB plan, earmarked for the benefit of the employees, in order to direct funds to other immediate needs such as balancing the budget or funding programs that will aid them in their reelection campaigns. This is a very common practice that results in elected officials making promises they can't keep. In many cases those elected officials who abandoned their fiduciary duties are long gone before the employee is eligible for retirement benefits.

The state of Vermont must honor the promises they made to public employees who have worked several years or decades with the understanding that part of their compensation package is the monthly retirement check they are due to receive for their lifetime in retirement. However, based on past performance and practices, this is not a system that is sustainable and to continue to make these promises to new hires would be a huge breach of trust. Additionally, you can't continue to flog the tax payer in order to fund a system that is inefficient and poorly managed. Vermont is already one of the top five most expensive states to live/retire in.

All new hires should be offered a defined contribution plan such as a SIMPLE IRA, 401K or 457 plan whereby the government agency provides a 3%+ match based on compensation. This

would be a much lower expense for the agency and provide immediate vesting for the employee.

I am fully aware of the temptations that large pools of money can create. I also understand that a large population of employees can also be used as pawns for those who crave power over other people. Defined contribution plans are 100% vested and under the control of the employee and not the government officials. To do the right thing, the state of Vermont should stop making promises they can't keep and start offering new hires defined contribution plans.

Yours Truly

William D. Bruner
wbruner75@gmail.com

Mike Ferrant

From: Knapp, Ryan <Ryan.Knapp@vermont.gov>
Sent: Monday, March 29, 2021 8:43 AM
To: Testimony
Subject: Pension Testimony

I am writing to share my concerns over the latest House Government Operations Committee proposal on pension reform.

I am a 32 year old, ten-year employee of the SoV. I was born and raised in VT. I left the state for secondary education because I was dead set on getting out of small-town VT. I spent my freshman year of college in RI and realized, after one semester, that VT was my home. I learn that I had to leave to realize my love for VT and to understand that VT was (is) part of me. I transferred to UVM after my freshman year and graduated with my Bachelor's degree in Geography and a concentration in Geospatial Technologies. I love the study of people, place, and space. People shape the places they live, and the places shape the people who live there. This is very relevant to the conversation regarding SoV employees and the consequences of potential pension changes.

I started my career as a SoV employee the day after I graduated from UVM. I worked as a temporary employee until I secured a full-time job. Since then I have worked hard and broke through in a field that is traditionally dominated by engineers (of which I am not). I have ascended to supervisor level and continue to grow as a young leader in my division. I don't say this to brag. I say this because I am proud of myself. I say this because my job allows me to positively affect the lives of other Vermonters. I say this because working here makes me happy. Living in VT makes me happy. I want to continue this path forward.

Over the past few months, I have heard grumbings from my co-workers and leaders in state government. I have watched on as countless retirement-eligible employees with vast institutional knowledge of state government retire – seemingly out of nowhere I haven't engaged in the conversation. I have (had) faith that a compromise would be reached that makes sense, that is responsible, and that doesn't spit in the face of the SoV employees that are many years away from retirement. After reading this proposal I can't sit still and NOT say anything. This isn't a compromise.

This proposal would add THIRTEEN YEARS to my career. I will say that again. THIRTEEN YEARS. For the past ten years, I have dreamt about the ability to retire in my mid-fifties and find another passion to pursue while living in VT. Knowing my options would be open at that time is EXTREMELY exciting to think about. That's like having a second lifetime to decide what I want to do. This proposal throws my previous ten years of employment in the trash. I have structured my deferred compensation knowing that I have a secured pension. My whole life my parents have told me to start a retirement plan early - "Don't wait. Start early. Save as much as you Can. Don't do what I did." I thought I was on track to comfortably retire because I was doing it the right way. I am making sacrifices now, knowing I will be rewarded when I can retire. Now, all of this is in question.

I understand something needs to change. I realize there is a reality that cannot be ignored when it comes to pension funding. I also know that this is NOT my fault, nor the fault of the thousands of other SoV employees that have nothing to do with how the pension fund was managed (mismanaged). This would be crippling. Governor Scott talks about improving the workforce, retaining young Vermonters in the workforce, and attracting young people to move her. This proposal works to achieve the exact opposite. Why would I stay here? Why would anyone younger than 35-40 start a career here? Has this been considered?

Compromise. Vested at 15 years instead of 5? Makes total sense to me. Reward dedicated employees, not the short-term ones. Increase AFC? Okay, I can live with that. Increase pension contributions from 1.1%? Ouch. I get it, we need

Testimony of Bryant Pless - 3/29/2021

Resident of Jericho, Vermont

Teacher at Browns River Middle School, Mt. Mansfield Unified Union School District

Some particulars as to how the proposed plan would affect my personal situation:

	Current Plan	Proposal	Result for Me
AFC Calculations based on current contracts as guessing the future is too difficult	Top Three Years (Years ending 2019, 2020, 2021)	Top Seven (Years ending 2014-2021)	Difference between the two formulas: Loss of \$3,005 a year Or \$290 a month Or \$105,000 over 35 years (my planned years in retirement based on the current retirement structure)
Base Employee Contribution In addition, I contribute 7% of Gross Pay to a 403b Plan	5% of Gross Pay + My own independent contributions to a 403b are 7% of Gross Pay	7.25% of Gross Pay + My own independent contributions to a 403b will probably decline to 5% of Gross Pay	Using a simple 403b calculator, dropping my contributions to the 403b will result in a \$30,000+ loss in expected total return over 9 years *Based on 8% yearly return (which is less than the actual 9.8% return for the past 10 years of the fund)

Actual testimony:

I appreciate the opportunity to be able to speak to the committee today. My name is Bryant Pless, and this will be my 22nd year of teaching.

My wife and I have been incredibly lucky in the decisions we've made. We took solid advice in structuring a plan that would lead to a comfortable retirement. Like many others who are speaking to this committee, we worked 3-4 jobs at once to stay in this profession, paid student loans for more than 15 years. It has taken years to achieve a solid financial footing.

The main issues as I see it with the proposed retirement plan changes are:

- 1) For any teachers within 6-15 years of retirement, the proposed changes do not allow enough time to recover from the financial losses that will be experienced.
And we did everything that was expected of us, never stopped contributing towards retirement.
- 2) All the while we have been fortunate enough to avoid any of the following:
 - major medical event requiring a loss of revenue
 - a change in family status that resulted in loss of revenue
 - Having to choose between paying for a child's future and education at the expense of retirement

-
- Never needing to support a parent's retirement needs

Others have experienced these events. Those who experienced any of the above situations may be relying on the VSERS or VSTRS retirement systems to provide the bulk of their retirement revenue. The proposed changes will present a significant impact to their quality of life in retirement. And with respect, the proposal also tells these people they can't really expect to retire with full benefits at all by tagging the normal retirement to age 67.

- 3) Younger members of the teaching force and state government are going to see what these changes do to us in this middle group, and will reevaluate their commitment to these professions in this state - or at all.

Thank you for hearing my comments, and I hope they guide you towards a better bill.

Mike Ferrant

From: Sophie Skrobialowski-Wall <sophie.skrobialowski-wall@fnesu.org>
Sent: Monday, March 29, 2021 9:31 AM
To: Testimony
Subject: Teacher pension plans

The drastic and unnecessary changes that are being considered for our pension plans are outrageous. It is your ethical duty to find and use the funds available to shore up the shortfall as a governing body made through your decision making.

We have put in the hours of dedicated work and deserve the respect and earnest effort on your behalf to see to it that we have a survivable pension with which to live off in our retirement. Each of the educators who guided you to where you are today deserve that.

Please be the ethical stewards of our future and find the alternatives and options to provide the resources we need to survive our retirement.

--

Sophie Skrobialowski-Wall
NBCT
Family and Consumer Sciences
EFHS/ EFMS
(802) 933-7777 Ext # 1048

Written Testimony re: State Pension for House Committee on Government Operations

3/29/2021

Hello,

Thank you for this opportunity to provide testimony.

I am a Waitsfield resident, I am 32 years old, and I have been a State employee for 7 years now. I am shocked and angered at the latest pension proposal released by the House Speaker earlier this week. It is appalling, and I feel betrayed by the Democratic caucus in the House.

I am asking that the House slow this process down and not jam a bill through at this late stage in the legislative session.

I hope you understand how bad it feels to see elected officials who are supposed to be defending you put out proposals that appear to have been given little thought as to the human lives they are impacting. Under this latest plan, I would need to work more than ten additional years to retire, pay more in, and get less out. Legislators are holding our pensions hostage.

Legislators should stop calling this a defined benefit if they think they can swoop in and change it. That should be illegal. It is a contract.

The state needs to use more one-time money to shore up funds and should identify a dedicated revenue source.

When I started working here, I never thought I would have an employer other than the State of VT for the rest of my life. I hope I don't need to reconsider this. The benefit to working for the state is a secure pension. Please don't mess with that notion any more than Treasurer Pearce and Speaker Krowinski already have.

It should not be forgotten that state employees have sacrificed a lot over this last year. This current proposal would be quite the way of thanking us for our dedicated service.

Thank you,

-Dylan Frazer

Bushnell Rd

Waitsfield, VT

Mike Ferrant

From: andrea wheeland <wheelanda@gmail.com>
Sent: Monday, March 29, 2021 10:22 AM
To: Testimony
Subject: Written Testimony for 3/29/21

Please accept the following as written testimony for the public hearing on teacher pensions. I would be in (virtual) attendance and requesting to speak but have a volunteer commitment this evening.

Sincerely,
Andrea Wheeland
Winooski teacher and parent

To the Government Oversight Committee,

I am writing to provide feedback about the recent announcement concerning changes and cuts to the Vermont Teachers Pension plan. I have been teaching for 20 years, 17 in Vermont. I chose Vermont purposefully, as a place I believed upheld my values and a place I could see myself raising a family and being part of a community. I chose to work in a low income district, at significant financial loss, because this is the work I value and excel at. Never have I regretted any of these choices, until last Wednesday when the current proposal was made public.

First, we must make sure all voices are heard and appropriate impact studies take place. The current timeline does not offer these opportunities. Taxpayers in the state, especially lower and middle class, must be given time to understand how these changes would likely impact their communities. This is not an issue just for teachers and state employees, but one that could decimate the local economy. Who will pay the (often higher) salaries of these older teachers, or want them teaching their children, past their prime in a career that demands much energy and enthusiasm? As Vermont struggles to recruit and retain quality teachers, the young families Vermont hopes to attract will instead flee.

Second, it is incredibly short sighted to block the consideration of alternate revenue streams. Tax the wealthy. Tax retail cannabis sales. Be forward thinking and creative, as Vermont teachers have faithfully done for decades, widely on display during the current pandemic.

Finally, I cannot help but wonder what this process would be like if the gender ratios of males to females in teaching were reversed (77% of teachers in the US identify as female vs 23% male according to educationdata.org). This is another example of how women in our society are asked to quietly bear the brunt of others mismanagement and greed.

I urge you to scrap the proposal in its entirety and start fresh, ready to engage all stakeholders, tax the wealthy, tax cannabis sales and do what is right for the future of Vermont schools.

Thank you,
Andrea Wheeland
Winooski teacher and parent

We are writing to express our concern regarding the House Government Operations Committee's proposal shared March 24, 2021, which details significant changes to the teacher retirement system.

As VT Digger's Lola Duffort reported the day the proposal was released, state employees are being asked "to shoulder the bulk of the system's expanding unfunded liability." In addition to significant reductions in future cost-of-living adjustments for the approximately 8,500 employees currently employed by the state of Vermont, the proposal also changes the Average Final Compensation calculation from a teacher's highest three years of salary to seven years. In other words, it will lessen the dollar amount upon which the benefit is calculated, thus lowering the overall amount of the pension each teacher will receive. Additionally, teachers will be required to increase their contribution rate to 7.25 percent of their salary -- a significant increase from the 5% or 6% that teachers currently pay, depending on when they were hired.

Chris Rupe of the Vermont Joint Fiscal Office presented, on Feb. 26, 2021, several contributing factors to the current unfunded liability that the House Government Operations Committee's proposal aims to address. However, nearly 50% of the change is due to an accounting change -- assuming a 7% vs 7.5% rate of return. These are not actual deficit dollars, but rather an adjusted anticipated rate of return on investments. While this updated actuarial assumption may be more accurate, it does not reflect an actual loss in dollars as it might appear. Further, the mitigation strategies proposed by the Committee put nearly all the responsibility on the employee. The proposal contains no commitment for additional funding other than "to the extent any additional federal dollars or excess revenues are available." We now know \$150 million will be contributed to the retirement fund this year, presumably utilizing federal relief funds.

Several teachers in the Addison County Central School District (ACSD) recently shared their concerns and perspectives on this proposal with the ACSD School Board. Their frustration lies in the fact that not only have they paid every penny that has been asked of them, teachers have already compromised and paid a price for the consequences caused by years of underfunding. In 2010, in a good faith effort to solve the problem, teachers agreed to increase their contribution -- from 3.5% to the current 5% or 6% -- and increase the number of years required to work in order to earn full retirement benefits. In short, teachers feel this is a breach of contract.

We stand with our teachers in opposition to the March 25 proposal and urge the legislature to seek alternative solutions to address the pension's funding issues, rather than placing the burden on the backs of the teachers. We feel their perspective is more than reasonable, as the average teacher pension is \$21,000. The poverty level for a household of four in 2021 is an annual income of \$26,500. The proposed changes to the pension system strip away the financial security that teachers have earned, have always paid their share into, and have been promised. We ask for our Vermont Legislators to stand with their teachers and find a fair solution to this problem.

Mike Ferrant

From: Andrea Hussey
Sent: Monday, March 29, 2021 10:43 AM
To: Testimony
Subject: FW: [External] teacher and state employee pensions

From: Frances Binder <fbinder21@gmail.com>
Sent: Monday, March 29, 2021 9:19 AM
To: Andrea Hussey <AHussey@leg.state.vt.us>
Subject: [External] teacher and state employee pensions

[External]

To the House Committee on Government Operations:

I, like so many of my colleagues, was dismayed by the proposal announced last week around teacher and state employee pensions. The notion that the burden created by the State's misuse of funds and negligence when it comes to properly funding our promised pensions should be turned around and placed on the backs of the teachers and state employees who've already given so much of themselves to the State is shameful. As an educator I have to say that this also shows a distinct lack of imagination on the part of the legislators who put together this proposal, both in terms of what the problem means for real people's lives and retirement, and in terms of how to solve the problem.

I had to laugh when I saw that one of the goals listed on the proposal was to attract more workers to the state. How in the world would this proposal attract anyone to want to work in Vermont? The proposal asks teachers to work longer for less, and then expect less for retirement. I can't figure this one out. Our state already pays less than most of the surrounding states (with whom we have reciprocity in terms of our educator licenses). Given the choice of working in Vermont or working in a neighboring state with higher wages and a retirement plan that's not being cut down at the knees, I have to imagine that most young teachers would choose to go out of state. Again, the legislators' lack of imagination and understanding of our systems and our situation astounds me.

Finally, I have to say that the timing of this proposal is particularly objectionable. At a time in our State's history when teachers have been asked (and have answered the call) to do even more than they usually do, to risk their health and their family's health, to give up time with family and friends in order to ensure the safety and wellbeing of everyone in our schools, to work harder and longer hours in order to meet the needs and demands of hybrid and virtual learners, the legislators of Vermont have chosen to pull the rug out from under our retirement dreams. Shame on you. A pension is a promise. Please do the right thing and keep that promise to the very deserving teachers and state employees of Vermont.

Sincerely,

Frances M. Binder
Librarian, Colchester High School

This message has originated from an **External Source**. Please use caution when opening attachments, clicking links, or responding to this email.

Mike Ferrant

From: Andrea Hussey
Sent: Monday, March 29, 2021 10:43 AM
To: Testimony
Subject: FW: POSSIBLE SPAM: [External] Vermont School Library Association Statement on Educator & State Employee Pensions

From: VSLA President <vslapresident@gmail.com>
Sent: Monday, March 29, 2021 8:46 AM
To: Sarah Copeland Hanzas <SCopelandHanzas@leg.state.vt.us>
Cc: Andrea Hussey <AHussey@leg.state.vt.us>; John Gannon <JGannon@leg.state.vt.us>; Rob LaClair <RLaClair@leg.state.vt.us>; Peter Anthony <PAnthony@leg.state.vt.us>; Harold Colston <HColston@leg.state.vt.us>; Mark Higley <MHigley@leg.state.vt.us>; Robert Hooper <RHooper@leg.state.vt.us>; Samantha Lefebvre <SLefebvre@leg.state.vt.us>; Mike McCarthy <MMcCarthy@leg.state.vt.us>; Mike Mrowicki <MMrowicki@leg.state.vt.us>; Tanya Vyhovsky <TVyhovsky@leg.state.vt.us>
Subject: POSSIBLE SPAM: [External] Vermont School Library Association Statement on Educator & State Employee Pensions

[External]

Dear Chair Copeland Hanzas and Members of the House Committee on Government Operations,

The Vermont School Library Association Board has issued the following statement on educator and state employee pensions:

 **Vermont School Library Association Statement on...**

Please let me know if you have any questions.

Thank you,
Peter Langella



Peter Langella (he/him)
2020-2021 President
Vermont School Library Association
802-482-7127
vslapresident@gmail.com

This message has originated from an **External Source**. Please use caution when opening attachments, clicking links, or responding to this email.

Testimony of Jennifer B. Egelhof regarding proposed pension changes to State of Vermont Employees

March 29, 2021

The initial proposals of the chair and vice chair of the House Government Operations Committee of the legislature has been represented as the way to save the VSERS and VSTRS pension plans. However, instead it gives in to right-wing efforts to gut or eliminate defined benefit pension plans.

The VSEA has been fighting to preserve our retirement benefits, especially in wake of the severe underfunding that State lawmakers are responsible for. By failing to accept that it is reneging on a promise and a deep failing of the government, the proposal comes across as highly cavalier. While pension plan "savings" were explained, there was no discussion as to how these changes will negatively affect the long-term economic health of a significant portion of Vermonters. I've outlined some possible negative affects below:

Retirees:

- Reduced income means more reliance of state services.
- Reduced income means that retirees may seek out less-expensive states to retire.
- Reduced income means less contribution to the Vermont economy.
- Reduced income means a higher poverty rate for Vermonters.

Recruitment will be more difficult:

- A strong defined-benefit plan is what draws potential employees to work at the State of Vermont. It is not the pay scale, nor is it any other benefits which are not up to par, such as tuition reimbursement that has not been increased in many years.
- Young Vermonters are looking for a reason to stay in their home state. The proposed changes are clearly just the writing on the wall that certain legislators are siding with conservative efforts to destroy defined benefit plans. This proposal clearly tells them that they cannot count on a pension from Vermont.
- The Rules of 87 and 90 are a deterrent to employment.

The State of Vermont as employer:

The proposed "Rule of 90" will result in employees working longer than they had planned. Negative effects are:

- The State will experience increased expenses in salaries in benefits if the employee continues to work at their highest pay grade and steps. How has this been factored into the proposal?
- The State will experience people spending their final years using their accumulated sick time as their likelihood of chronic illness increases.
- Essentially, without the proposed changes, the State is going to have an unbalanced, older workforce who will be more expensive than younger, healthier employees.

My personal thoughts:

March 29, 2021

To: House Government Operations Committee

From: Dan Hagan, Burlington High School history teacher (18 years), lead negotiator for Burlington teachers, mentor of UVM teaching interns (10 years), parent of 3 in Burlington

Re: Testimony regarding teacher pension system reform

Following the introduction of the House Government Operations Committee's VT Teachers Retirement System reform proposal, public education in Vermont faces its third existential crisis in four years.

This pension proposal, if adopted, will break a system already reeling from the chaotic move to high-deductible health care plans and the upheaval of the pandemic. Current teachers will leave the profession. Teachers in training will choose to lend their talents to students in other states.

I came to teaching 18 years ago having left a lucrative career in managerial consulting in Washington D.C. While my compensation as a public school teacher would never approach that of my consulting career, I left industry and began teaching on this agreement: I would give roughly 35 years of service to a high-needs population for modest compensation; in return I would earn affordable health care for my family, as well as a modest pension so that I could direct personal savings to sending my three children to college.

I have kept up my end for 18 years. If this proposal becomes law, the state thereby breaks our agreement, 18 years since I left that career and signed up to teach some of Vermont's most at-risk students.

My peers who continued on in my original corporate career are making six figure salaries, compensated to a level where they can provide health care and higher education for their families, as well as fund their own retirements. If this pension reform proposal is signed into law, I will need to look at leaving the teaching career I love in order to provide for my large family. How many of my experienced teaching colleagues are now considering similar moves?

I have mentored a UVM student teacher for each of the last 20 semesters, providing an intensive experience in teaching literacy to our at-risk students and English Learners. Of those 20 interns over 10 years, how many are currently teaching in Vermont? I am aware of only two. Most received excellent preparation at UVM and BHS but are now teaching in places like Massachusetts, Connecticut and New Jersey. Vermont already has difficulty attracting and retaining quality educators. What teaching graduate would choose to work in an already unaffordable Vermont if promised fundamentals like health care and pensions are constantly under attack?

I have also worked as a negotiator for 10 years solely to strengthen the Burlington Schools my children will attend until well into the late 2030's. I want the Burlington School District to provide them and others with the same opportunities it provided me. This pension proposal will inhibit our ability to keep the talented educators Burlington needs in its teaching ranks.

Teachers have learned in these past four years we cannot trust promises made regarding health care. Now we are learning we cannot trust promises made regarding the retirement plan to which we are required to contribute. If this destructive reform proposal were to pass, how will pension promises be additionally altered by future legislation in the 25 years that remain before I reach the new proposed retirement age?

Teachers like me are holding up our end of the bargain-- toiling relentlessly to provide high quality education during extraordinary times, all the while contributing our dollars to our pensions as required by law. If the Vermont Legislature wants to preserve the high quality of education in this state-- a system with the resiliency to adapt and make educational gains for students during a pandemic-- it must hold up its end of the bargain and fully fund teacher pensions.

My name is Tommy Young and I am a 24 year teacher with 22 of those years being here in Vermont. I am a 1st and 2nd grade teacher at Waitsfield Elementary School.

A promise is a declaration or assurance that one will do a particular thing or that a particular thing will happen. I have been teaching for 24 years now and love my job. I earn a fair salary and have never complained about my compensation. Mostly because I truly enjoy what I do but also because I accepted the terms and chose to do the job. When I accepted my role, I promised to do my part and have never waived. I have been acknowledged for my work on both a state and national level and feel I have the genuine respect of my peers because of my approach. When I make a promise and a commitment I was always taught to do the best that I could do. To never make excuses and find a way to be successful. Last year, as the pandemic halted our typical school work, provided a challenge to this approach. However, instead of blaming technology, or accepting a less enriching curriculum for my students, I continued to go to school everyday (luckily I had an exterior door to my room) and taught from my class. I met the required meetings times but also went beyond. I held 1:1 meetings for kids who needed more. I would meet parents outside to collect work and send new work to avoid having my 1st and 2nd graders and their parents having to do everything electronically. At the end of the day I would spend an hour or so driving around town, using my own car and gas, bringing new work and collecting finished work at the homes of families who were afraid to come out. Again, things were left at a mailbox post to avoid contact. I did this not to be celebrated, not to be lauded on social media, but because I made a promise a commitment.

I took my first Vermont teaching job in 1999. When I started, I was making around \$22,000 a year. I wasn't deterred by that and was able to assure myself that with hard work and a long career I would be able to support my family. The assurance of a pension (ranked 48 in the nation) would allow me to make less money than working in the private sector but have the means to continue to live here after my career is done. I took the terms and conditions of the pension that I was offered as a serious benefit. 2010, I am approached about our pension. The state needs our help. The legislatures and governor have been irresponsible and our pension is in trouble. I am asked to give more money and work longer years in order to help get the fund back on track. Although I am reluctant, I understand and continue on with the new terms in place.

Now we are at this point. Since 2010, I have done my part. I paid my higher contributions, worked three jobs, and kept telling myself all will be good in the end. During this time, our economy and investments have thrived and peoples' retirement funds are booming. Well that is except for our pension fund. The legislatures have continued allowing our money to come in, have allowed us no say, allowed the money to be mismanaged, and are now coming back to us. You ask, pay more, get less, work 10-15 years longer, and to top it off pay a fee moving forward when earnings aren't met. That is how you are telling us you will keep your promise.

This comes down to the fact that our State's bond rating will go below the B- rating it currently has. It means new initiatives and programs will not be able to be funded. This scares you. You know you and the people in your positions before you have created a mess. So you now want to propose a plan that puts the burden squarely on us and quite frankly punishes us for your mistakes. I am just

curious how you can stare at us, hear our testimony and still want to move this forward. This is how you keep the state's commitment to us? I see a vast difference in the my approach and our legislature's approach to keeping commitments.

This is not a problem we created. This is not a problem we have even had a chance to give input into as the years have gone by. This is a group of representatives putting forth a proposal with strictly punitive outcomes to people who had no say. No chance to invest differently, no chance to question 5% gains when the standard is easily 7%-8% during this time. The fact that you are rushing this through with out discussions, collaboration, or even the thought of new ideas is astounding. It is also arrogant. You are part of the reason we are in this mess and haven;t been able to fix it. Over a few weeks time though, you have figured it all out and have it fixed with a proposal that is ludicrous.

I ask you to table this. Be reflective leaders and admit your proposal is wrong, inadequate, and will actually cost more to local budgets and taxpayers. Good leadership is reflective and admit mistakes, arrogant leaders assume their 1st shot must be right and needs no input. The time has come, what type a leader are you?

March 29, 2021

To: House Government Operations Committee

From: Dan Hagan, Burlington High School history teacher (18 years), lead negotiator for Burlington teachers, mentor of UVM teaching interns (10 years), parent of 3 in Burlington

Re: Testimony regarding teacher pension system reform

Following the introduction of the House Government Operations Committee's VT Teachers Retirement System reform proposal, public education in Vermont faces its third existential crisis in four years.

This pension proposal, if adopted, will break a system already reeling from the chaotic move to high-deductible health care plans and the upheaval of the pandemic. Current teachers will leave the profession. Teachers in training will choose to lend their talents to students in other states.

I came to teaching 18 years ago having left a lucrative career in managerial consulting in Washington D.C. While my compensation as a public school teacher would never approach that of my consulting career, I left industry and began teaching on this agreement: I would give roughly 35 years of service to a high-needs population for modest compensation; in return I would earn affordable health care for my family, as well as a modest pension so that I could direct personal savings to sending my three children to college.

I have kept up my end for 18 years. If this proposal becomes law, the state thereby breaks our agreement, 18 years since I left that career and signed up to teach some of Vermont's most at-risk students.

My peers who continued on in my original corporate career are making six figure salaries, compensated to a level where they can provide health care and higher education for their families, as well as fund their own retirements. If this pension reform proposal is signed into law, I will need to look at leaving the teaching career I love in order to provide for my large family. How many of my experienced teaching colleagues are now considering similar moves?

I have mentored a UVM student teacher for each of the last 20 semesters, providing an intensive experience in teaching literacy to our at-risk students and English Learners. Of those 20 interns over 10 years, how many are currently teaching in Vermont? I am aware of only two. Most received excellent preparation at UVM and BHS but are now teaching in places like Massachusetts, Connecticut and New Jersey. Vermont already has difficulty attracting and retaining quality educators. What teaching graduate would choose to work in an already unaffordable Vermont if promised fundamentals like health care and pensions are constantly under attack?

I have also worked as a negotiator for 10 years solely to strengthen the Burlington Schools my children will attend until well into the late 2030's. I want the Burlington School District to provide them and others with the same opportunities it provided me. This pension proposal will inhibit our ability to keep the talented educators Burlington needs in its teaching ranks.

Teachers have learned in these past four years we cannot trust promises made regarding health care. Now we are learning we cannot trust promises made regarding the retirement plan to which we are required to contribute. If this destructive reform proposal were to pass, how will pension promises be additionally altered by future legislation in the 25 years that remain before I reach the new proposed retirement age?

Teachers like me are holding up our end of the bargain-- toiling relentlessly to provide high quality education during extraordinary times, all the while contributing our dollars to our pensions as required by law. If the Vermont Legislature wants to preserve the high quality of education in this state-- a system with the resiliency to adapt and make educational gains for students during a pandemic-- it must hold up its end of the bargain and fully fund teacher pensions.

03/27/21

Dear House Operations Committee:

Below is an e-mail I sent to Speaker Krowinski that I would like to offer as testimony before the committee.

Dear Speaker Krowinski:

Please re-consider pursuing the proposal put forward regarding pensions.

Do you understand that there is no choice about belonging to the pension system? It is a condition of employment. Money is taken out of each paycheck and goes into the pension system with no say from us. This has been "sold" to us as "no worries" because you will get this \$\$ back, plus some, when you retire. When hired, the pension is "sold" to us as part of a "benefit" package when accepting the job. We have all received retirement statements as to what we can expect at retirement. Changing the rules at this stage of the game is going back on what was sold to me 22 years ago and most recently, what my retirement statement indicated.

I will turn 55 in November with 22 years of State service. Any "fiddling" with the pension system, at this point, will adversely affect me, financially. Many of my colleagues are retiring, retiring early, or resigning from State government. Because I do not turn 55 until November, I am considering resigning from State government and rolling my pension money into an IRA. My faith and trust in the state legislature, to keep my pension money safe and not solve the pension problem on the backs of the "victims" (State employees, teachers, State troopers, etc.), is shattered. Even my younger co-workers are questioning whether to continue with the State of Vermont. So, the people you say you are trying to protect, in the future, (younger employees' pensions) are not drinking that Kool aid. Trust is a funny thing. Once it is gone, it does not come back easily. At this point, the old saying "Fool me once, shame on you. Fool me twice, shame on me" comes to mind. I will not give the VT legislature a chance to fool me twice and potentially break promises again.

I am a lifelong Democrat. My parents are retired Vermont educators. Although this proposal will not affect my parents, we are all so disappointed in VT Democrats to even propose a solution that asks the victims of the process to fix it. This is not what we expect from VT Democrats. Even if this proposal does not pass, the ramifications and scars will remain into the next election cycle.

Please, for everyone's sake, especially the taxpayers' sakes, consider all the ramifications that this proposal will have. I think you have looked at many spreadsheets and listened to many financial people. However, I do not believe you had anyone at the table that is an expert in human resources and how people will react. The negative impacts of the "intangibles", that do not immediately show up on the spreadsheet, will come back to bite you and the taxpayers, which is, at least in part, precisely why we are in this mess in the first place.

I wish you well and good luck.

Sincerely,

Courtney Ireland
18 Notch Glen Rd.
Jeffersonville, VT 05464

To Whomever is Not Concerned:

If our pensions are diminished or leveraged in any way whatsoever, I am leaving Vermont state. I have been a well-loved teacher for 12 years in Manchester, and Mentor of the Year two years ago. I live here alone, no family. After year 15, the minimum I need to access full retirement in the future, and after my Federal Loan Forgiveness, I will leave here. I am sacrificing my life- we pay for things with years of our lives - and my secure, healthy, happy future is what motivates me. Teaching is an investment in one's future, while we work painstakingly to build the futures for these communities. How dare you even entertain the idea of using or manipulating teacher pensions, which already pale in comparison to NY, for example?! This is among the lowest of the low. *Among other severe problems and risks involved, this would add an entire decade on to the end of my career, after working tirelessly full-time in this system since I was 24 years old. Absolutely not.*

Extremely concerned, disappointed, and saddened,

Kasia Sosnow

ksosnow@brsu.org

PO Box 654

Manchester Center , Vermont 05255

Mike Ferrant

From: Andrea Hussey
Sent: Friday, March 26, 2021 10:14 AM
To: Testimony
Subject: FW: [External] Teacher Pensions

From: Nicholas Exler <nexler@anwsd.org>
Sent: Thursday, March 25, 2021 9:13 AM
To: Andrea Hussey <AHussey@leg.state.vt.us>
Subject: [External] Teacher Pensions

[External]

Dear Andrea Hussey,

I am deeply concerned about the proposed legislation that will impact teacher pensions.

Teachers are continuously being asked to do more, year after year. This came into focus during the coronavirus epidemic (which is *still happening*). My colleagues and I are doing more work this year than ever before, while putting ourselves at risk. We are not being compensated for our extra time, nor do we expect to.

But the proposed changes would take money from hard working educators and make it much harder for them to retire. **It is a slap in the face.**

We need to work to give educators more money, not less.

If the changes go into effect, I will leave Vermont and/or leave public education. I know many of my peers feel the same way. I deserve to work at a job that will let me retire at a reasonable age. I do not know *any* band directors who work until they are 67. The proposed legislation would strip an entire generation of retirement benefits.

It is insulting.

It is wrong.

I am paying attention, and will not vote for any politician who supports this legislation in any way, shape, or form.

Please, stand with educators.

Sincerely,
Nick Exler

This message has originated from an **External Source**. Please use caution when opening attachments, clicking links, or responding to this email.

Mike Ferrant

From: Andrea Hussey
Sent: Friday, March 26, 2021 10:14 AM
To: Testimony
Subject: FW: [External] Our path forward

From: Sean Nary <snary@anwsd.org>
Sent: Thursday, March 25, 2021 6:31 AM
To: Robert Hooper <RHooper@leg.state.vt.us>; Warren Kitzmiller <WKitzmiller@leg.state.vt.us>; Mike Mrowicki <MMrowicki@leg.state.vt.us>; John Palasik <JPalasik@leg.state.vt.us>; Andrea Hussey <AHussey@leg.state.vt.us>; Jill Krowinski <JKrowinski@leg.state.vt.us>
Subject: [External] Our path forward

[External]

Teachers have endured a great deal and poured their hearts and souls into educating VT's youths. They have done this because they love their kids and their jobs. They also endured because they knew there would be a pension waiting for them on the other side. They have made a great many sacrifices to earn that pension and it is just plain cruel to take it away now. Also, you really do not want people teaching for 40+ years with regularity, which is what will happen if the rule of 90 disappears. The best school systems have a balance of old and new teachers - experience and fresh eyes and ideas. Please protect teacher pensions and preserve the balance,

Sean Nary

Proud to be a Vergennes Middle School Mathematics Teacher

--

Sean Nary
Middle School Mathematics Teacher - Vergennes Union High School
Math Rocks.

This message has originated from an **External Source**. Please use caution when opening attachments, clicking links, or responding to this email.

Mike Ferrant

From: Andrea Hussey
Sent: Friday, March 26, 2021 10:14 AM
To: Testimony
Subject: FW: [External] Teachers' Pensions

From: Janet Kepes <jkepes@anwsd.org>
Sent: Thursday, March 25, 2021 4:31 AM
To: Sarah Copeland Hanzas <SCopelandHanzas@leg.state.vt.us>; Rob LaClair <RLaClair@leg.state.vt.us>; Nelson Brownell <NBrownell@leg.state.vt.us>; Harold Colston <HColston@leg.state.vt.us>; Marcia Gardner <MGardner@leg.state.vt.us>; James Harrison <JHarrison@leg.state.vt.us>; Robert Hooper <RHooper@leg.state.vt.us>; Warren Kitzmiller <WKitzmiller@leg.state.vt.us>; Mike Mrowicki <MMrowicki@leg.state.vt.us>; John Palasik <JPalasik@leg.state.vt.us>; Andrea Hussey <AHussey@leg.state.vt.us>
Subject: [External] Teachers' Pensions

[External]

Dear House Committee Members,

I am writing to ask you to reconsider the drastic proposal to the pension fund.

It is unfair for people who have served their communities for years and years to have the rules changed at this point in time.

Parts of Vermont already struggle to fill teaching positions. I believe this change will cause a mass exodus of teachers and their positions will remain unfilled.

Vermont should be honoring their teachers for their work, especially in this difficult year. Please reconsider this change.

Janet Kepes
Vergennes Union High School
Vermont educator 1999 - present

This message has originated from an **External Source**. Please use caution when opening attachments, clicking links, or responding to this email.

Mike Ferrant

From: Andrea Hussey
Sent: Friday, March 26, 2021 10:14 AM
To: Testimony
Subject: FW: [External] teacher pension proposal

From: Karen Cingiser <cingy3@gmail.com>
Sent: Wednesday, March 24, 2021 12:04 PM
To: Sarah Copeland Hanzas <SCopelandHanzas@leg.state.vt.us>; Rob LaClair <RLaClair@leg.state.vt.us>; Nelson Brownell <NBrownell@leg.state.vt.us>; Harold Colston <HColston@leg.state.vt.us>; Marcia Gardner <MGardner@leg.state.vt.us>; James Harrison <JHarrison@leg.state.vt.us>; Robert Hooper <RHooper@leg.state.vt.us>; Warren Kitzmiller <WKitzmiller@leg.state.vt.us>; Mike Mrowicki <MMrowicki@leg.state.vt.us>; John Palasik <JPalasik@leg.state.vt.us>; Andrea Hussey <AHussey@leg.state.vt.us>; Jill Krowinski <JKrowinski@leg.state.vt.us>
Subject: [External] teacher pension proposal

[External]

Yesterday I composed an letter to be submitted as testimony in the committee hearing tomorrow night. Today I read the proposal. Please read and tell me how you are going to attract and retain top notch educators with this proposal. I urge you to refine this proposal to include a separate funding source (not the one time funds) and eliminate the parts of the proposal that are once again relegated to teachers

March 23, 2021

I began teaching in the fall of 1990 at the Brookfield Elementary School. At that time, I was made aware that a portion of my salary would automatically be deducted and put into the teachers' retirement pension, which would help fund my own retirement (which was a long time away at that juncture of my life). Being young with no children, I could not picture myself retired but was thankful that one of the benefits of being a public employee was receiving a pension (as well as top notch health insurance...but that's another story).

Fast forward a number of years. I was now teaching at the Moretown Elementary School. Retirement was still not even close to the forefront of my brain. Until...what I was promised when I began teaching was no longer guaranteed. The pension fund was underfunded and needed a financial boost. That came at a cost to teachers. Teachers no longer could retire after 30 years of service; they were now expected to adhere to the rule of 90: add your years of service with your age. When you reach 90, you can retire. In addition, a larger percentage of my salary was directed into the

pension fund. The compromise was health insurance benefits for me **and** my spouse upon retirement.

Now here we are...I have taught for 31 years and retirement is near. However, once again, the pension fund needs a boost and some of the options include getting that boost from teachers. Teachers should not carry the burden of rescuing the fund. We have been paying into the system; no choice. We have satisfied our end of the agreed upon contract. We have already compromised in the past. It is now time for the state to find other sources of money to fund our pension.

As I stated in my opening, teaching was the profession that I chose. I chose to receive a salary that is comparatively lower to other professions because I would have high quality health insurance and a pension. Salaries for teachers, compared to other professions, continue to lag behind. Health insurance is more costly for teachers and the pension system is in turmoil. Vermont is going to have a hard time attracting and keeping high quality and dedicated educators if these three conditions are not dealt with now.

You have an opportunity to settle the pension issue using one time funds and finding a source, other than teachers, to continue to fund our pension. I hope you do so.

Sincerely,
Karen Cingiser
Warren, Vermont

POSTSCRIPT: I have just read the draft legislation for "fixing" the pension funds and I am appalled yet not surprised that it falls on the backs of teachers. An increase in our mandatory contribution, a dilution of our average salary on which our retirement is based, COLA decreases, a change in when we become vested and when we can retire. All on the backs of teachers. Again.

This message has originated from an **External Source**. Please use caution when opening attachments, clicking links, or responding to this email.

Mike Ferrant

From: Andrea Hussey
Sent: Friday, March 26, 2021 10:14 AM
To: Testimony
Subject: FW: [External] Constituent response to state pension changes

From: Tedin Lange <langetedin@gmail.com>
Sent: Wednesday, March 24, 2021 11:30 AM
To: Sarah Copeland Hanzas <SCopelandHanzas@leg.state.vt.us>
Cc: Rob LaClair <RLaClair@leg.state.vt.us>; Nelson Brownell <NBrownell@leg.state.vt.us>; Harold Colston <HColston@leg.state.vt.us>; Marcia Gardner <MGardner@leg.state.vt.us>; James Harrison <JHarrison@leg.state.vt.us>; Robert Hooper <RHooper@leg.state.vt.us>; Warren Kitzmiller <WKitzmiller@leg.state.vt.us>; Mike Mrowicki <MMrowicki@leg.state.vt.us>; John Palasik <JPalasik@leg.state.vt.us>; Andrea Hussey <AHussey@leg.state.vt.us>; Jill Krowinski <JKrowinski@leg.state.vt.us>
Subject: [External] Constituent response to state pension changes

[External]

Tedin Lange
170 Sunrise Avenue
South Duxbury, Vermont 05660

March 24, 2021

To the Members of the House Committee on Government Operations,

Note: Your proposal was published just as I finished the letter below. I am incensed, for all of the reasons outlined in my letter, by the further sacrifices you are expecting. A colleague of mine has done initial calculations that show he will need to work an additional TEN YEARS to receive the benefit he was promised. I hope to see the language in this proposal improve dramatically, and will be following the issue closely as a voter.

Thank you for your attention to ensuring the health of the Vermont state retirement system for teachers and state employees. It is my understanding that your committee is working on a proposal regarding our pension system; I am writing to urge you to keep our defined benefit system intact and resist changes that force me to work longer, pay more, and get less.

I am proud to be a classroom teacher in Vermont. I was born here, and deliberately chose a career that would allow me to do three things: work with young people, contribute to my community, and stay in my home state. I accepted the reality of lower wages over the course of my working life for the "trade offs" of health care and a pension. Those benefits have made teaching in Vermont a reasonable choice for committed professionals, despite the facts below:

-
- Average salaries of Vermont
- public employees are well below the average nationally and especially in the Northeast
-

-
- Vermont's public pensions
- pay the lowest percentage of final salary in the nation.
-
-
- Vermont's retired state
- employees and teachers, as a result, have one of the smallest public pensions in the nation (an average of \$17,000 annually).
-

I have paid my retirement contribution in full from each of my biweekly paychecks for the last 14 years. Now I am asking you to honor the terms of the pension that I have been working toward in good faith. Going back on your word now will create a "ripple effect" of costs that will weaken our communities. What is the cost to taxpayers when teachers are required to work longer at the end of our careers? What is the burden on social services when more retirees struggle with health care costs and monthly bills? If you pursue policies that undercut working people, you will create a greater liability for the state down the road. Not honoring our agreement is a race to the bottom.

We were asked to compromise in 2008, and accepted a decrease in benefits then. Refusing to fully fund my pension now is not a compromise. It is a broken promise that solves a legislative problem by cheating the employees of your towns. Do not change the pension system for current employees. Do not use property taxes to try and close the gap. Have the moral courage to consider the taxation of Vermonters whose income already guarantees comfort.

I am hopeful that you will focus on solutions that preserve a strong middle class in Vermont,

-Tedin Lange

This message has originated from an **External Source**. Please use caution when opening attachments, clicking links, or responding to this email.

Mike Ferrant

From: Andrea Hussey
Sent: Friday, March 26, 2021 10:26 AM
To: Testimony
Subject: FW: [External] Teacher Pension: Please read with care

From: Rebecca Chartrand <rchartrand@huusd.org>
Sent: Friday, March 26, 2021 10:25 AM
To: Sarah Copeland Hanzas <SCopelandHanzas@leg.state.vt.us>; Rob LaClair <RLaClair@leg.state.vt.us>; Nelson Brownell <NBrownell@leg.state.vt.us>; Harold Colston <HColston@leg.state.vt.us>; Marcia Gardner <MGardner@leg.state.vt.us>; James Harrison <JHarrison@leg.state.vt.us>; Robert Hooper <RHooper@leg.state.vt.us>; Warren Kitzmiller <WKitzmiller@leg.state.vt.us>; Mike Mrowicki <MMrowicki@leg.state.vt.us>; John Palasik <JPalasik@leg.state.vt.us>; Andrea Hussey <AHussey@leg.state.vt.us>; Jill Krowinski <JKrowinski@leg.state.vt.us>
Subject: [External] Teacher Pension: Please read with care

[External]

March 26th, 2021

Dear House Government Operations Committee:

I am a Vermont resident who wears many hats, a mother, a wife, a taxpayer, and a teacher. I am writing to you today because of the latter. I am appalled and disheartened by the current attack on the pension system. It is disrespectful to the profession, and if this goes through will be a huge disservice to students. Here is why:

Teaching requires 100% of your mind, soul, and body to do it well. I am a young, physically active thirty-six year old who enjoys bouncing off the walls for her students, talking all day, enrolling in college courses to enrich content knowledge, and I have had to learn a whole new way of teaching through a pandemic. Thinking about myself thirty years from now, I don't think I will want to or be able to maintain this level of stamina. I have been teaching since I was twenty-three, and my current retirement goal is to retire before I am sixty. During the winter, I had even contacted the Vermont Teachers Retirement to look into paying more out of my paycheck to buy more years of service. With your proposed plan of forcing teachers to work until social security age, you will be hurting Vermont students. There are consistently so many young, energetic college graduates who are eager to do what it takes for students. **Why would you want to keep burnt out, older teachers in the system longer who could be enjoying retirement and spending their pension dollars in the Vermont economy?**

I also want to address the increase in cost of the pension and the final compensation. Increasing the cost from 6.25% to 7%, and then basing the final compensation on our last 7 years of teaching is a real slap in the face. How could you even think about doing this considering how hard teachers have been working to get Vermont kids through a pandemic; there are more needs than ever before. Teachers cannot have more money pulled from their paychecks considering the rising cost of living in this state. In my house, every dollar is accounted for. It is required now that two adults in a household work, otherwise you cannot afford rent or a mortgage. Please recognize the fact that Vermont is borderline too expensive for the middle class to live here, and teaching is one of the few professions to keep Vermonters here. I implore that you do not take more money from our paychecks.

Lastly, I want to emphasize that **we did not screw up the teacher pension**. It should not be on our shoulders to fix it. Our elected officials must find another way.

Sincerely,

Rebecca Chartrand (Waterbury resident, teacher at Thatcher Brook Primary School)

She/Her/Hers

French Teacher

Thatcher Brook Primary School

Travel is fatal to prejudice, bigotry, and narrow-mindedness, and many of our people need it sorely on these accounts. Broad, wholesome, charitable views of men and things cannot be acquired by vegetating in one little corner of the earth all one's lifetime.

- Mark Twain

This message has originated from an **External Source**. Please use caution when opening attachments, clicking links, or responding to this email.

Good morning,

My name is Graeme Saphier and I am a teacher at South Burlington High School. I am in my 15th year as a public-school teacher here in Vermont, most of them in South Burlington, but also in Stowe. I have served the communities that I work for faithfully during this time. People who enter education usually do so out of a desire to inspire young people, prepare the citizenry of tomorrow, and make a difference in the world. In order to do this, we accept a trade-off. Our earnings over our careers will be far below that of our peers, who have equal education but choose to go into more lucrative, self-beneficial professions. In return, we have been promised a pension, paid for primarily by ourselves, that affords us a modest, but secure income upon retirement. The current proposal to alter our pension represents nothing less than a BETRAYAL of that compact and a complete abdication of responsibility by the state, who are the primary actors in getting us into this mess. I find it particularly galling that I haven't even heard an admission by current representatives or members of the governor's staff that your predecessors acted deliberately and dishonestly to underfund our pension. Now you want us to clean up this mess. In essence, the state has taken money from teachers meant for pensions, and without our permission, used it for other purposes and then come back to us and said that we need to fill the hole you created with more of our own money. I get the feeling that if this were a private sector transaction you would be awaiting trial for criminal malfeasance. As of that weren't enough, you then change the rules of our pension so that we have to work significantly longer in order to see any of the money you have forced us to pay... twice!!! In my case, I will have to work an extra 12 years in order to get full benefits. Where is the spirit of compromise, accountability and personal responsibility that seems to be espoused so much these days? Please don't tell me you aren't personally responsible in this. We know that the state government is. But you REPRESENT the organization that acted criminally in the past and you are now compounding those actions by shoveling the problems you created into our hands. We have done nothing more than show up to work throughout this pandemic, accept that we wouldn't be prioritized for vaccination even though we were going to high exposure environments on a daily basis, and meeting all of our financial obligations in the meantime. Just as we are seeing the other side of one of the biggest disasters in our country's history, you decide that this is the opportune moment to take advantage of us again, putting the ENTIRE BURDEN of filling the hole in our pension fund, a hole YOU CREATED, on us. Your brazenness and lack of respect for middle class, working Vermonters is unconscionable. Account for yourself.

Mike Ferrant

From: Matt Dransfield <mdransfield@sbschools.net>
Sent: Friday, March 26, 2021 10:43 AM
To: Testimony
Subject: Public Testimony Senate Bill S.59

Dear State Elected Officials,

Changing our teacher retirement structure is unfair, unjust, and dishonest.

Teachers – most of whom are women – were promised a secure retirement in exchange for devoting their careers to Vermont's children. The state must keep that promise.

Since the inception of the pension, teachers have paid everything asked of them.

Conversely, the state deliberately underfunded the pension for nearly two decades, which resulted in nearly \$1 billion dollars in unrealized returns. This deficit must not be put on the backs of teachers.

Teachers are advocating for using significant one-time money given that the state is awash in billions of extra federal dollars. This makes sense because teachers have been the backbone of stability during this most challenging year.

Personally, both my wife and I are public school teachers. We have paid into the retirement system in good faith for almost 20 years and built our family's long-term financial plan around the agreement and trust we had with the state. Changing this system is wrong. Had we known that this agreement wasn't what was promised we would have made different choices. I believe that the state has a legal burden to uphold the contract and pension plan that they agreed to when my wife and I entered into the retirement system with the state.

DO NOT support a solution that puts the burden to correct the state's decades of funding neglect on the teachers.

Thank you,

Matthew Dransfield

--- This email may contain information protected under the Family Educational Rights and Privacy Act (FERPA) or the Health Insurance Portability and Accountability Act (HIPAA). If this email contains confidential and/or privileged health or student information and you are not entitled to access such information under FERPA or HIPAA, federal regulations require that you destroy this email without reviewing it and you may not forward it to anyone. If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, DC 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov. Revised by mandate of the USDA dated March 24th, 2014.

Mike Ferrant

From: Jennifer Fischer <demare10@gmail.com>
Sent: Friday, March 26, 2021 10:44 AM
To: Testimony
Subject: My testimony

Making it a law that teachers cannot retire prior to their 67th birthday is creating a detriment to students, school districts and educators.

In my twenty four years of teaching, I have seen wonderful teachers retire when they have reached the magic "90", but unfortunately, I have also seen wonderful teachers lose interest in teaching because they are waiting for the magic "90". Changing the retirement to an age and not a combination of age and years of service can cause teachers feeling forced to work beyond what they are capable of, and that is not who I want teaching my children. Our future of Vermont deserve to have teachers who want to be there, not who are forced to be there.

There are other reasons that this initiative is detrimental to our state, including the cost of having more teachers on higher end of the pay scale, and competing with border states for good teachers when our pay is lower and our pension is worse.

Please consider alternative solutions for the pension deficit, I realize it's easier to come after the teachers, but what is easier isn't always what's best.

Thank you.
Sincerely,
Jennifer Fischer

STATE PENSION SYSTEM

In the late 1970's I worked for a large insurance company as a pension analyst. It was my job to determine how much money each employer would have to contribute to their pension plan in order to fund the promised pensions of current and future retirees. I learned very quickly that some years the necessary contributions were shockingly large – dependent upon the performance of the stock market, the number of employees and the number of retirees. Unexpected events could easily skew the required contributions. I then came to the conclusion that defined **benefit** pension plans were a hindrance to the employer and possibly greatly affecting the profitability/existence of the company.

In the current business atmosphere, most private employers provide defined **contribution** plans (401K, 403B) for their employees' retirement. The employer knows what the annual contribution will be since it is based on the employees' wages/salary – an amount that can easily be calculated.

The only way for the current defined **benefit** pension plan for Vermont state employees to be fully funded is for the necessary funds to be siphoned from other parts of the government budget – from other deserving programs. Right now, school districts pay a "fee" to the VT State Retirement System for each new teacher to the district and instead of 100% of some grants being spent on the students, part of the grant money is also sent to the VT State Retirement System.

In order to end this cycle of underfunding, **all new state employees/teachers as of 7/1/2021 should only be allowed to belong to a defined contribution** plan similar to what is offered at the majority of private companies. This will not immediately get the state out of the predicament in which it now finds itself. The hope is that future generations will eventually be released from this massive debt.

Enid Ellis

333 John Rock Rd.

Wheelock

Mike Ferrant

From: Leah Griggs <lgriggs@sbschools.net>
Sent: Friday, March 26, 2021 11:06 AM
To: Testimony
Subject: pension

As I write this, I am filled with anxiety and disgust that the leaders of our wonderful state would once again attempt to remedy the mishandling of our money by making us repay it. This was the "solution" the last time this happened. This "solution" is a failure and must not be repeated as it will only lead us back to the same result.

The burden of this liability rests on the State of Vermont and not on the educators who have worked tirelessly to support, educate and advocate for our students (the future for all of us). We have already paid our fair share and then some. The large one-time funding and a dedicated revenue stream as outlined in Senate Bill S.59 should be utilized to decrease the burden, not the meager teacher's salary which barely keeps me financially afloat. In fact, I have worked at least one and sometimes two extra jobs to support myself and my family! Now that our health care has become catastrophic care (thanks to the State), I cannot afford to pay any more out of my paycheck and expect to survive.

The State should consider using federal dollars first and then looking to the wealthy to pay their fair share. It is intolerable and unconscionable for the State to take more money from teachers. The wealthy can afford to go without luxury items, I cannot and will not continue to work in a profession that forces me to choose between heat and food and that forces me to go without access to healthcare and to ration prescriptions because I cannot afford them. This reality is unsustainable for me and my family and the idea that it will be worse in retirement is totally unacceptable.

I fail to understand how this proposal will attract and retain teachers to the state of Vermont. Why would anyone want to enter a profession that is constantly under attack and is shown little or no respect? Why would anyone be attracted to Vermont to teach when you must work longer, pay more, and get less in retirement as thanks for their years of service?

It is time for the leaders of this state to stop and get in touch with and truly understand its educators. I implore you to take the time to come up with an equitable and fair solution for this problem. One that is sustainable and is not on the backs of your teachers. This flawed and inequitable solution has already proven to be a failed solution (or we wouldn't be here again), is unsustainable for teachers, and will discourage others from going into the field of education. It will not entice younger people to move to this state and it will be detrimental to the economy of the state of Vermont.

Leah Griggs
Consulting Teacher-Grade 6 Polaris Team
FH Tuttle Middle School
500 Dorset Street
South Burlington, Vermont
802-652-7108

Mike Ferrant

From: Kylle Kolk <kkolk@gisu.org>
Sent: Friday, March 26, 2021 11:28 AM
To: Testimony
Subject: Pension Cuts

Hello,

I am writing regarding the proposed teacher pension cuts. I have been teaching for over 11 years, but only started working in Vermont last August. One draw to moving to Vermont was the belief that Vermont actually cared about its teachers, and I would be better taken care of here than my old home of Louisiana. Instead, less than a year after relocating, I'm learning that my new pension is going to take double the time for me to be vested, that it is going to be more expensive, and that it will be worth less than before. I am so... disappointed that a state that purports to be liberal and in favor of education is treating teachers so disrespectfully.

Actions such as this only exacerbate the problems being encountered with teacher recruitment and retention. It is hard enough to find quality teachers willing to put up with the long hours, derision and disrespect offered to them without taking away the few benefits that help make up for it.

Teachers did not create a shortfall in a system that they paid into with every paycheck, and should not be punished for poor choices others made.

Thank you for your time and advocacy.

--
Kylle Kolk
Grand Isle Supervisory Union
Elementary Librarian/Media Specialist
North Hero Campus
Grand Isle Campus
Pronouns: she/her/hers
kkolk@gisu.org

WARNING: This message may contain information that is confidential and/or protected under the **Family Education Rights and Privacy Act** or other lawfully recognized privilege. If you have received this message in error or through inappropriate means, please reply to this message to notify the Sender that the message was received by you in error, and then permanently delete this message from all storage media, without forwarding or retaining a copy.

Mike Ferrant

From: Ann Shaw <shawam712@gmail.com>
Sent: Friday, March 26, 2021 11:29 AM
To: Testimony
Subject: Attn: House Committee of Government Operations

Dear House Committee,

This spring marks the end of my 5th year as an educator in Vermont. I moved here from New York right after college for my first job and I was lucky enough to meet my partner here as well. I love my job despite its many hardships on a daily basis, which have only been exacerbated by the pandemic. This pandemic has shown the importance of schools to our communities, families and children, the myriad of programs that come through the school buildings, and the amount of work and effort educators put in regularly to go above and beyond for their students.

I am appalled at the lack of appreciation from the government of Vermont towards the educators of this state. Salaries for teachers in Vermont are low: those in my position in New York make \$10,000-15,000 more. The new legislature regarding the pension system is cruel.

My partner and I are at the age where we want to settle down, buy a house, and hopefully start a family within the next couple of years. If Vermont really wants young people like me to stay or move here, alienating one of your largest workforces is not the way to go about that.

I know many people my age are not focused on their retirement but this pension affects all of us now. I have worked private sector jobs where the retirement system was optional; for teachers in Vermont, it is not given as an option, 6% of every paycheck is taken to go towards my pension. I struggle to make ends meet as it is between my student loans, astronomical health insurance costs, and Vermont's high cost of living. If any more is taken out of my paycheck, I will be unable to afford to live in this state, regardless of having a full time job and an advanced degree. Educators have already given, and will continue to give, so much of their money, time, and life to the service of their students and communities. Taking more out of their paychecks for less benefits in the future is not only immoral, it is heartless.

Vermont is a beautiful state, and I want to be able to spend the rest of my life here, but the priorities of the legislature don't seem to be supporting educators. We already have a teacher shortage and this will only make the situation worse. I think I can speak for other young teachers like myself that if things don't change, there is no point in staying in Vermont.

Mike Ferrant

From: Jason Lorentz <jlorentz@sbschools.net>
Sent: Friday, March 26, 2021 11:31 AM
To: Testimony
Subject: Negative Impacts of Teacher Pension Proposal

Drawn primarily by my teaching job, my spouse and I moved to Vermont from New York City, bringing with us post-graduate degrees and years of experience in our careers. This proposal, by eliminating the rule of 90, will suddenly require me to work 5 additional years before receiving a full pension. It makes me, for the first time, seriously consider changing jobs, perhaps requiring a move out of state. For those are perhaps five of the most valuable years I'll have.

Furthermore, seeing the state alter the deal in this way, when teachers have always paid their part of the pension and the state has underfunded its part, makes me worry that the agreement may be changed yet again in the future. Will I end up contributing 10%? 15%? Will I be required to work until I'm 70? 75?

If Vermont really cares about attracting and maintaining an experienced and educated teaching workforce, altering the terms of our retirement on the fly, creating uncertainty about something as crucial as *age of retirement*, is not how to do it!

If there's ever been a time to ask the very wealthiest to contribute more to cover the state's liabilities, this is it.

Sincerely,

Jason Lorentz
South Burlington High School

--- This email may contain information protected under the Family Educational Rights and Privacy Act (FERPA) or the Health Insurance Portability and Accountability Act (HIPAA). If this email contains confidential and/or privileged health or student information and you are not entitled to access such information under FERPA or HIPAA, federal regulations require that you destroy this email without reviewing it and you may not forward it to anyone. If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, DC 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov. Revised by mandate of the USDA dated March 24th, 2014.

Pension- public teacher perspective

Date- 3/26/21

Dear Representatives,

the state has chronically underfunded the teachers' pension fund for over 17 years. Please do not penalize us for this mismanagement. The current financial problem is directly attributable to years of neglect and lack of oversight. In addition, thanks to Covid- many veteran teachers are retiring- leading to stress on an already weak system. For many of us, often women, this is our only retirement and we are depending on the state honoring its end of the bargain, especially with the current windfall from the federal government.

If you want to encourage young folks to move to VT and raise their families here, then it makes sense to treat us with respect and care. Otherwise, the looming teacher shortage will become severe. We're not asking for huge sums of money, just that you honor your current agreement.

Requiring teachers to work until age 67 and removing the rule of 90 also places an undue burden on local school districts who count on veteran teacher retirements in order to hire new young (less expensive) teachers who not only relieve the budget but also bring new ideas and skills to enrich our experienced staff. Why force local districts to pay the price of state mismanagement?

We believe that working with VTNEA to arrive at some possible solutions would be productive and helpful. Developing this plan behind closed doors does not set a precedent of trust.

In addition, all of your public servants relying on this retirement fund have deliberately spent our money and time locally to support our communities through this disaster. Without us, the VT economy would have suffered far worse damage. Please keep our contributions in mind as you deliberate.

Thank you for reading. Laura Allyn, career teacher at Burlington and Burlington resident.

Laura Allyn
lallyn@bsdvt.org

Mike Ferrant

From: David Shiffert <dshiffert@sbschools.net>
Sent: Friday, March 26, 2021 11:44 AM
To: Testimony
Subject: Teacher pensions

To Whom It May Concern,

My understanding of the current proposal is this: As a 50-year old educator who has taught for 15 years in Vermont public schools, the state would require me to put 2% more of my remaining paychecks into the retirement system, for the next 17 years (until age 67) and then receive LESS money in retirement than I would under the current system. I also understand that the State has not been contributing its predetermined payments into the state retirement fund. In essence, I am being penalized for the State's prolonged neglect of the retirement system fund??

For me personally, with two daughters in college, less money per paycheck has the immediate effect of incurring more debt on my family, in the form of student loans (with interest!) to pay for college expenses. This, in a state where state college tuition is already some of the highest in the nation.

For 15 years, I and my colleagues have seen a relentless assault on our salary and benefits. The State now needs to look elsewhere for the revenue that it failed to produce for educators' retirement. ¡Basta ya!

David Shiffert (he, him)
Spanish Teacher, South Burlington High School

--- This email may contain information protected under the Family Educational Rights and Privacy Act (FERPA) or the Health Insurance Portability and Accountability Act (HIPAA). If this email contains confidential and/or privileged health or student information and you are not entitled to access such information under FERPA or HIPAA, federal regulations require that you destroy this email without reviewing it and you may not forward it to anyone. If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, DC 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov. Revised by mandate of the USDA dated March 24th, 2014.

Mike Ferrant

From: Natalie Cowden <ncowden@gmail.com>
Sent: Friday, March 26, 2021 11:48 AM
To: Testimony
Subject: Written Testimony Re: Pension Fund

My name is Natalie Cowden. I am a first grade teacher at Hinesburg Community School. I write this testimony in dismay over the proposed changes to address the underfunding of the pension. I have been in education for ten years. I started in education after an eight year career in sales and marketing. I worked to receive my teaching license and master's degree from Saint Michael's College to join this great profession. For most of my career in education, I have ignored the "politics" that surround us. Maybe it was because I didn't know any better or because I didn't want to invest time in things that I, naively, didn't think would really hurt me. Or maybe it was because I love what I do, I feel grateful that my work is something that I enjoy and I didn't want that to be tainted by what was "out of my control anyways." In hindsight, I wish I had paid more attention, but I believed in the systems and had faith in the people in charge of the systems. I believed that any decisions being made would not drastically or detrimentally hurt us or harm us; that these decisions would not harm me as an individual. I was wrong. This proposal is hurtful and harmful. The state of Vermont's administration made decisions to use funds that should have been allocated to the teacher pension fund. These funds were used to benefit the state, these funds were *not* used for teachers. It is now the state's job to figure out a way to pay the fund back that does not solely burden educators and the state's employees.

I ask that the people in charge of proposing ways to fix this problem truly begin to put themselves in our shoes and to ask yourselves these very obvious questions: If it was my pension being threatened, would I accept the terms to this proposal? Would I accept terms that require me to give more and accept less (for my retirement!!) to correct a financial deficit that is not my responsibility? I am certain that the answer to these questions would be no. It is not logical, not sensible, and not fair to pay more money and to receive less to fix a problem that we did not create. We have paid every penny that we have been asked and that we have agreed to towards this pension fund. We have held up our end of this contract, but you have not, yet here we are being asked to "take the hit" and accept that our burden is the solution to your problem. I believe, you too, would feel outraged, betrayed, and deflated. The legislators of this state made decisions that have caused this issue, it is up to you to fix it. In my first grade classroom, we learn that if you take something from someone, you return it; if you break something, you fix it. We learn to be accountable, to take responsibility and to be fair. I expect the house committee and the representatives of the state of Vermont to do the same: be accountable, take responsibility and be fair. Please, please vote no on this proposal and please, please dedicate your skills, resources, and time to fix a problem without causing further hurt or harm to the people dedicated to positively impacting the lives of so many, despite the fact that we are consistently (and most recently) up against decisions that negatively impact so many.

Thank you for your time,

Natalie Cowden

35 Meadow Lane
South Hero, Vermont 05486

March 26, 2021

Dear House Government Operations Committee Legislators,

One year into a pandemic, Vermont teachers deserve support and accolades, not cuts to their benefits. Access to high quality public education is critical to a functioning democracy and the key determinant of "high quality" is teachers. Teaching is a demanding career in the best of times, with many rewards and yet, increasingly, many demoralizing pressures. Each demoralizing act drives current teachers out of the field and prospective teachers into alternate careers. Ultimately, our children and our future suffer.

I invite you to think about the difference between "burnout" and "demoralization". Burnout is an extreme level of exhaustion brought on by sustained stress and labor. Demoralization occurs when that sustained stress and labor is continually undervalued, disrespected, and denied.

A friend teaches middle school. She teaches online and in person, two completely different jobs, in a hybrid model. Two preparations, two modalities of communication, two systems. She spends weekends preparing lessons and posting them on the online learning platform – not just part of a weekend day, but both days. That is the work. Then there is Covid-19, which spread in her school at one point. Would she bring it home to her family? To other students? Was she a carrier? Teachers go into the profession because they care about service, because their first thought is of others. What if they become a point of harm to others? And yet, when the vaccines rolled out, teachers were not considered "essential workers".

I left teaching eight years ago, I thought due to "burnout". I understand now I felt demoralized. I believed teaching meant engaging students in become life-long learners, connected to their communities, and motivated to reach their full potential as citizens and human beings. When No Child Left Behind arrived and teaching to a test became an expectation, I felt a dissonance between my values and that of the educational system and I felt undervalued. What teachers are experiencing today is far deeper.

Please appropriately value our teachers and do not support the Speaker's plan to cut teacher benefits. Instead, support our teachers to stay in the field doing the hard physical, psychic and emotional labor needed in the classroom each day.

Thank you.
Karin Ames
karinleeames@gmail.com

Mike Ferrant

From: Dianna Ingison <dingison6@yahoo.com>
Sent: Friday, March 26, 2021 12:17 PM
To: Testimony
Subject: teacher pensions

In 1986, when I graduated from graduate school, I was very excited to start my career as an educational speech language pathologist. I was very happy to settle in Vermont although I knew that I would be sacrificing a higher salary for the Vermont lifestyle. I have worked in Vermont schools for 32 years. I have planned over the years for what my retirement might look like and for all these years I have believed that the state is upholding it's part of the pension bargain. I have contributed money from every paycheck since 1991. I fully believed that the state was also contributing their fair share. Instead I am being told that despite doing what I am supposed to do, I will be penalized for the state's errors. This is unacceptable. I should not have to pay more into the system because the state did not pay their fair share. I should not have to forgo a cost of living increase predicated on my whole retirement benefit because the state did not pay their fair share. I should not have to delay my retirement because of the state's mistakes. Over my 32 years of teaching, I have watched teacher benefits erode. I have seen the treatment of teachers and respect for the profession decline over time. However, I never expected that I would not be able to count on the retirement plan that was guaranteed my state. I feel so betrayed. I have given my all to my profession. I have dedicated my professional career to the children of the state of Vermont. I urge you to reconsider this terrible plan as proposed. The teachers of Vermont deserve so much more.

Dianna Scott
dingison6@yahoo.com
PO BOx 296
Manchester Center, Vermont 05255

Dear Legislators:

Of all the times to consider kicking someone when they are down, you picked a great one! Teachers have quite literally been risking their lives, their health, and the health of their families and loved ones to keep schools afloat and kids learning. We even go along with the notion that many of the people who complain about kids doing remote learning are actually more concerned about being able to work and play during school hours than about their kids learning. So for you to pick *now* to fire this broadside at our retirement system is thoughtless at best.

I cannot begin to tell you how unfair your proposal is. It is even, surprisingly, worse than what Beth Pearce proposed. Imagine being a teacher who has taught for 30 years since right out of college, who has been planning their retirement at age 60 for years based on the longstanding "rule of 90". Imagine being told that you now have to work another 7 years, and possibly more if the Social Security Administration changes the full retirement age before you hit 67. Multiple teachers with whom I have spoken would be in this situation.

Imagine being a newer teacher who thought you were fully vested in the pension only to be told that you aren't and that you have to wait another 5 years. Imagine being disabled, laid off, or otherwise separated from your employment in your 9th year of teaching. You will have unfairly surrendered \$26,000.00 of your hard earned income into the pension, but you would apparently get NOTHING in return!

Imagine having to pay 14.9+-percent of your gross pay into SSA, Medicaid, and the pension. We already pay 13.65-percent! That extra 1.5 percent may seem trivial to disconnected lawmakers and politicians, but to us, it matters as we struggle to feed our families, get our kids to college, deal with high property taxes, and deal with life's other financial struggles that are exacerbated by the high cost of living in Vermont. You want to increase our withholding by about 25% while forcing us to take a lower retirement benefit. Less for more; not a winning sales pitch! Nearly all of us will feel this sting immediately if the proposal is adopted.

There are financial opinions afloat that suggest that your proposal isn't even necessary, particularly in light of federal funds that are readily available and could be used to prop up the pensions you propose to cut.

Why must we be the ultimate victims of either mismanagement, shortsightedness, or poor investment decisions? Is our contribution to this state and its future that undervalued? Do you not understand that most of us have the requisite talents to make more money in the private sector but that we do what we do because we care?

Tax payers may complain, but taxpayers benefit from what we do. School boards may complain, but communities benefit from what we do. So, if there is a true need, the pain should be distributed, not heaped solely on us and other government employees. Your proposal goes too far by miles! It is punitive and injurious. What effect do you think it will have at the local level? Do you not perceive that local negotiating teams will have to dig in even further and demand

greater annual pay increases at every bargaining session to recoup some of what we are losing? Do you not perceive that if you adopt this proposal, you are planting the seeds of discord and disruption on a systemic level?

It is unfortunate that there are some among your legislative ranks who utterly undervalue education and educators, and it is unfortunate that they actually get elected to office here in Vermont. Hopefully there are more among you who value education, who value what we do, and who are willing to instead find a common-sense, equitable solution to this situation, the most preferable and wisest of which would be to leave our pension alone. **Don't blame us for this mess, please!**

Perhaps the best course is to scrap the pension altogether with educators who aren't vested yet getting their contributions returned, those who are vested having a fair buyout option that includes some experiential gain based on years of service compared to reasonable market gains during the relative time period(s), and the creation of a voluntary, defined-contribution plan so that WE have some control over our retirement **rather than leaving it in the hands of the same people and entities who got us to this sad point-(assuming there really is a need for action for argument's sake)**. With a lower matching amount and the voluntary nature of it, such a structure would likely relieve towns and the state and the taxpayers of some of their present responsibility as well.

If someone came to me three months ago and asked if they should go into teaching, I would have said confidently, "yes!"

If someone came to me now and asked if they should go into teaching, I would ask, "can you afford to?"

Sincerely,



Tom Plog
Dedicated Teacher
3/26/2021

Mike Ferrant

From: Cindy Chornyak <cindychornyak@gmail.com>
Sent: Friday, March 26, 2021 12:27 PM
To: Testimony
Subject: State Employee Pension plan proposed changes

I have several questions and comments related to the HGO proposal regarding the State Employees and Teachers Retirement Plans.

First of all, I think this is a rushed proposal with no accompanying analysis showing the impact or fiscal analysis results. The rushed nature of sending out this proposal at this time in the session does not allow for thoughtful and serious review and response. Limiting the public speaking sessions to approximately 40 respondents is also restrictive and unfair. The ramifications of this proposal are huge and restricting comment or review of this is not conducive to a good outcome. Please show some respect for the teachers and state employees in this process. This feels so rushed and cobbled together. Putting together a study group would alleviate some of these feelings.

The proposal negatively impacts all State Employees and Teachers, and the proposal attempts to solve the years of poor management, unsound investment strategies, and unfunded issues all on the backs of the employees. Other than a very small amount upfront, there is no additional input of funds from the State nor from the legislature in alternative funding. None of the issues of the retirement funds were caused by the employees.

The retirement plan is a major recruitment tool for the State to attract and keep the best and brightest. Also all the HR systems in place are based on the old plan – for example, the step system. If you make employees work longer until they get to the social security ages before they can retire, many long-term employees will have put in a number of years without any steps. An employee who starts work for the state at age 25 will max out on steps after 27 years. So, if they have to work until they are 67, that is 15 years of work without a step. If you go with this plan, you will need to revamp the step process to go along with the increased number of years of work.

The retirement plan is a promise made to employees when they start working. It is mandatory to sign on to, so it should be mandatory for the State to honor it. Employees make plans and assumptions based on what is spelled out to them at first enrollment, and annually in retirement statements. It is unethical and immoral to change that for employees now.

This proposal costs much more for employees and pays out much less. It delays vestment and retirement, and will not keep up with inflation, reducing the dignity of retirement for those that have served the State faithfully for years. The proposal details numerous areas that result in increased contributions to employees. The 1.1% increase in contributions is almost half of what our bargained raise will be as of July 1. That was bargained for in good faith - never imagining that almost half of it would be taken away. Also, why is the risk sharing for fund performance only applicable to employees - and not the State? Employees do not have input in or control any part of fund performance. Perhaps the Treasurer and the retirement fund managers should pay this risk sharing portion instead. I read a recent opinion piece that stated, '...Pearce and the Vermont Pension Investment Committee have gambled the retirements of hard-working teachers, firefighters and other public employees on risky and high-fee Wall Street investment strategies...' You are punishing the wrong group of people here. I think there needs to be stronger oversight of the fund managers

Dear Vermont elected legislator,

When I started my teaching career in 2000, the state teacher retirement system was explained to me and the deductions that were taken from my paycheck gave me the hope of a fixed income stream that I could rely on to live out my non-working years after a career of public service. While I never dreamed of a lush retirement from the Vermont teacher pension, I have always felt comfort that I was contributing toward something that would allow me to retire after approximately 35 years of service according to the "rule of 90" that is in place. The rule of 90 seemed fair to me and is what I have grown to rely on for completing my career, or at least having the option to end it.

Now, here I am with 21 years of teaching under my belt, and 13 years before I can retire under the current system, exhausted from teaching in a pandemic which brought on professional and personal as well as ideological and emotional challenges that I have never before experienced. I put my health and the health of my family at risk by staying in the classroom as schools reopened. I am not complaining about the work I have done and I am proud to have my classroom be a place of semi-normalcy for students who are suffering from the isolating effects of the COVID restrictions. But I am stating this to show that I have been a dedicated teacher all along and will continue to do so.

I am not counting the days to retirement and I am proud to be a teacher, but knowing that I am only 13 years away from eligibility is helping to keep me focused and energized in the classroom. The new proposal of a retirement age of 67 means that I will not be able to retire in 13 years, but in 23 years. It means I am going to have to add another 10 years of teaching before I can access the money that I have been setting aside every paycheck throughout my career. It is disheartening and unacceptable to propose to change this agreement this far into my career. Please leave the system that is in place alone.

Thank you for your time and consideration,

Greg Lewis

South Burlington High School Teacher

glewis@sbschools.net

Dear Legislators,

I'm writing to express my strong opposition and extreme frustration with the proposed modifications to the teacher retirement system. This my tenth year as a teacher in Vermont and I was recognized as Finalist for Vermont Teacher of the Year in 2019. I love what I do, despite the hard work and high anxiety associated with my work. Teaching is consistently considered one of the most stressful professions, given the long hours and relentless expectations -- and this was before a pandemic that has amplified all these factors. Working towards a fixed pension was one of the reasons I switched careers ten years ago. To now have that pension in jeopardy, and the benefits I planned on substantially reduced, is a slap in the face. What is most frustrating is that this mess is NOT the fault of the teachers, who have lived up to our side of the agreement since its inception. Rather, it was the result of poor decision-making and underfunding by elected officials for decades.

"[Beth] Pearce said actuaries have estimated that at least \$25 million of what the state is paying for unfunded pensions each year is because of chronic underfunding by "multiple administrations and multiple legislatures" from 1989 to 2007. But she stressed that's the minimum figure, and it could be far higher." (VTDigger article)

The clearest analogy that I can think of is the 30-year mortgage. How would all homeowners feel if their bank called and said that because bank managers had mismanaged funds, the bank would be tacking on an extra 4-7 years to their mortgages? Oh, and at the same time they are also going to increase interest rates while simultaneously ensuring that the final value of homes would be lower? Such changes would be considered outrageous and incredibly unfair, to put it mildly. I hope our democratic leadership has more common sense than to proceed with this affront to teachers. I respect that changes will need to be made, but the proposed modifications are unacceptable in magnitude. Consider changing the rule of 90 to the rule of 92, or more justly, an income tax surcharge on the wealthy. We've all seen the analyses of how the rich have gotten richer during the pandemic. Teachers did not create this problem and we should not be the ones to bear the full burden of fixing a system that was broken by unkept promises by our elected officials. Please reconsider the proposed changes, and look at alternative solutions.

Thank you for your time,

Shane Heath
Montpelier, VT

Mike Ferrant

From: Sarah Meisenzahl <smeisenzahl@sbschools.net>
Sent: Friday, March 26, 2021 1:04 PM
To: Testimony
Subject: proposed changes to teacher pensions

Good afternoon,

The proposed changes to teacher pensions is unacceptable! There is a compromise here where teachers are not forced to bear the burden of this.

When I began teaching at 22 years old, I was clearly explained the teacher's pension I was investing in and what my contributions would be and what I could expect to receive at retirement.

About 10 years ago, the promise that you made with me about my pension was broken and changed since the state of Vermont failed to plan properly. I was frustrated but still far away from retirement. I could understand and plan accordingly that I would need to contribute more and retire later due to the rule of 90. I would need to plan to extend my teaching career by 4 years and plan for a certain amount for my pension when I was eligible to retire.

Now I find out that the legislature is once again planning to break their promise. I would be contributing even more, getting a lesser amount in retirement and need to extend my teaching a career another 11 years. That is a 45 year career instead of 34 (30 when I first started). This is outrageous! I understand that you need to fix the pension system however changing the rule halfway through my game is not acceptable. I have spent time and money planning for my retirement with certain parameters in place and I should not have to bear the brunt of the legislature's failure to plan.

There is a compromise here where teachers are not forced to take on the burden of this. These proposed changes need to be examined more closely to think about the unintended consequences of your actions.

Sarah Meisenzahl
South Burlington School District

--- This email may contain information protected under the Family Educational Rights and Privacy Act (FERPA) or the Health Insurance Portability and Accountability Act (HIPAA). If this email contains confidential and/or privileged health or student information and you are not entitled to access such information under FERPA or HIPAA, federal regulations require that you destroy this email without reviewing it and you may not forward it to anyone. If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, DC 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov. Revised by mandate of the USDA dated March 24th, 2014.

Mike Ferrant

From: Murray, Pat <Pat.Murray@vermont.gov>
Sent: Friday, March 26, 2021 1:08 PM
To: Testimony
Subject: Pension

I joined the State in 2016, I left a good job at Vermont Mutual and took less money to join the Department of Financial Regulation. I accepted the reduction in salary as I knew that I would now have a pension which I never had in my 45 years as an insurance professional. I was 57 when I joined the State, and am now 62 and plan to retire between ages 67 and 69. I understand that the current proposal may exempt me from changes (I'm not sure), but now I feel like I cannot rely at all on my pension as changes may be made in the future that lessen my payout and benefits. In the meantime, I understand that my pay will be affected as I will have to contribute more to the pension fund. I am one of those who lives paycheck to paycheck and I suspect there are many others in the State who do so also. Any further deductions from our pay would be a financial burden to many of us. It seems that perhaps the State can find some way out of this without affecting the many people that chose to work for the State mainly because of the pension benefits and are accustomed to paying a set amount each pay for those benefits.

Pat Murray (her/she), CPCU, CIC, CRM, CISR, AAI, AIC, AIS, API, PIR, ARM, AU, ARC, DAE, CPIW
Senior Rate and Forms Analyst/Outreach Coordinator
State of Vermont
Department of Financial Regulation
89 Main Street
Montpelier, VT 05620
(802) 828-5795
www.dfr.vermont.gov

Mike Ferrant

From: Jesse Lussier <jesselussier@gmail.com>
Sent: Friday, March 26, 2021 1:15 PM
To: Testimony
Subject: Pension Hearing on Pension Stabilization

Please give non-exempt State employees the option to join the Defined Contribution plan that is available for exempt State employees.

Many employees who are enrolled in the Defined Benefit plan would move to the Defined Contribution plan that is currently in place, which would lessen the burden (unfunded liability) from the Pension.

Thank you,

Jesse

Mike Ferrant

From: Mike Ferrant
Sent: Friday, March 26, 2021 1:26 PM
To: Testimony
Subject: FW: Information on the Public Hearing this Friday

Importance: High

~ Mike ~

From: Perron, Logan <Logan.Perron@vermont.gov>
Sent: Friday, March 26, 2021 1:09 PM
To: Mike Ferrant <MFerrant@leg.state.vt.us>
Subject: RE: Information on the Public Hearing this Friday
Importance: High

Good Afternoon Mike,

Thank you for coordinating the opportunity for testimonials. I will not be able to log into the meeting and would like to formal submit a written testimony to be heard.

Testimony:

Good Evening All,

My name is Logan Perron and I have worked full time for the State of Vermont in the Agency of Transportation for just over five years now. I worked as a temporary and then as a consultant for 7 years prior to coming onboard full time. I have loved working for the State and feel that the work that we do is very important. We also do this work at a fraction of the wages that the workforce performing the same work in the private industry receive. We are able to accept this fact because we like being a public servant to our neighbors, having pride in our state workforce, and the state provides some security. Another important aspect is that of the retirement that we are promised when we accept our positions. This retirement that we work towards and invest in is a foundation to our lives. Many of us have planned and made decisions based on the retirement plan. This new proposal is completely disheartening; and states to thousands of us working hard at the state that we no longer matter and we are completely expendable. The work we do is not important and we are not respected to any degree. This proposal would add 10 years to my working career on top of a 31 year career that I committed to 5 years ago. That also assumes the Social Security Eligibility Age stays at 67. There is a big group of employees that will be receiving more than 50% of their remaining time added and restarting their "30" year career now. Many have also spent years building a career that may not be transferable to other industries to try and save their life plans and goals. This would remove 10+ years' worth of retirement savings/opportunity for thousands. Most of my generation has entered the work force very retirement conscious. Many of us have planned to never have Social Security benefits due to the growing age that you can receive them, and the uncertainty that one would live that long. Retirement is something that should be obtainable prior to death or lack of health. Your proposal now aligns our retirement with this Social Security that is proceeding out of reach. You have basically taken away the retirement from the public servants that work diligently to keep this state moving forward. The very first principal/goal stated to guide the proposal is one of attracting and retaining a talented and effective workforce that serves Vermonters and maintains retirement security. This was completely missed. Any new employee will view a state job as not having a retirement and only having the deferred compensation plan in order to retire and enjoy life before they are not

able. Why would they not at that point work in the private sector for a higher wage and a matched 401K plan? All current employees should be granted the retirement that they were promised and any new proposal should go into effect for those that sign onto state work moving forward. With this said, the pedigree of our future work force is at complete jeopardy with this proposal. This will discourage most of the workforce from ever entering state government in Vermont. This has set a terrible tone with thousands and although we understand that a change or focus needs to be made moving forward, we ask that you have respect for us and the work that we do when establishing it. I will end my testimony pointing out that the final section of the proposal summarizes the impacts, none of which shed any light on the employees of the state. The most significant impact on human lives is completely overlooked. We are people, we are Vermonters, and we deserve better.

Thank you for your time,

Logan Perron

Logan A Perron | District Technician
Vermont Agency of Transportation – District 7
1068 US Route 5, Suite 2 | St. Johnsbury, VT 05819
Cell: (802)279-0818



From: Mike Ferrant <MFerrant@leg.state.vt.us>
Sent: Thursday, March 25, 2021 3:34 PM
Subject: Information on the Public Hearing this Friday

EXTERNAL SENDER: Do not open attachments or click on links unless you recognize and trust the sender.

Thank you for registering for the Public Hearing on Friday, March 26, 2021. You will receive a Zoom link on Friday at 3:00pm and be able to join the meeting at 3:30pm. Please prepare your remarks, as the time for each person has been adjusted to 2 minutes. Please rename yourself after entering the meeting, so staff can identify you appropriately and ensure your voice is heard.
You may submit written testimony as well.

Mike Ferrant
Director
Office of Legislative Operations
Vermont General Assembly
mferrant@leg.state.vt.us

Mike Ferrant

From: Judy Lilley <Judy.Lilley@colchestersd.org>
Sent: Friday, March 26, 2021 1:34 PM
To: Testimony
Subject: Teachers Pension Plan

Judy Lilley
29 N Main Street
Waterbury, Vermont 05676

3/26/21

Dear Legislation Representatives,

As a Vermont educator for over 25 years I am very disappointed in our state's lack of financial planning and responsibility towards the Vermont Teachers Pension Plan.

These are unprecedented times, however, educators should not be responsible for the lack of funding and financial deficit that the state has created.

We have paid into a system with a mutual understanding and financial planning for our retirement. For those of us who are close to retirement, but beyond the proposed five year plan, many of us having children entering or attending higher education, these changes significantly impacts our ability to securely retire. Vermont has counted on us to educate and support the ever changing needs and demands of our students. We need to count on you!

As my representative, I am asking you to uphold the integrity of the agreement and **SUPPORT THE EXISTING TEACHERS PENSION PLAN.**

I appreciate your service and consideration of this request.

Respectfully,

Judy Lilley
Special Education Teacher
Colchester School District

--

Susan Blethen
Teacher Burlington High School
178 Jim Dwire Rd
Bristol, VT 05443

Chair Sarah Copeland Hanzas
Vermont State House Committee on Government Operations
Re: H.119

Dear Madam Chair,

I am writing to voice my dismay at the recent proposal H.119 put forth by the Government Operations Committee regarding the Vermont State Teachers' retirement.

How can such a proposal, albeit a draft, be put forward for consideration? It is insulting. The state made an agreement to me 27 years ago that they would provide for my retirement. I am 7 years out of retirement and now this draft proposal asks me to work longer.

This is particularly insulting to be coming after a year of struggle with teaching during COVID. This has been one of the most difficult years in my teaching career, and you propose to add salt to the wound by not keeping your promise.

This is the second time you have "moved the goal post." due to your inability to keep up your end of a promise. When I first started teaching, I was told I would be able to retire after my age and service reached 80. Then in 1990, the "goal post" was moved to service + age reaching 90. For the past few years I have been planning with my retirement agent for my retirement at "90"

Have you thought about the cost to our tax payers as the districts will continue to pay for veteran teachers on a higher pay scale than our newer teachers while waiting to retire? Have you thought about the affect on the classroom this proposal will have. Do you really expect new teachers to agree to working for over 35 years before they can collect a pension? Yes I can happily teach until I am 67 or older; however, do you realize that doing so will have me teaching for 40 years.

As you decided how to solve this problem - the can that has been kicked down the road - any solution must not be on the backs of teachers. I urge you to keep the promises made to those of us who have been working educating the future of Vermont.

If you realize that the teacher pension system is not viable for the future, then you need to come up with a viable solution for our newest teachers, but please do not change the system now. You

need figure out a way to keep our pension system as it was promised. Perhaps the best solution is for the legislature to invest significant one-times funds and find a dedicated revenue source.

Mike Ferrant

From: Tammy Davis <Tammy.Davis@colchestersd.org>
Sent: Friday, March 26, 2021 1:45 PM
To: Testimony
Subject: Teacher Letter

3/26/21

Dear Representative,

As a Vermont educator for over 23 years I am very disappointed in our state's lack of financial planning and responsibility towards the Vermont Teachers' Pension Plan.

These are unprecedented times, however, educators should not be responsible for the lack of funding and financial deficit that the state has created.

We have paid into a system with a mutual understanding and financial planning for our retirement. For those of us who are close to retirement, but beyond the proposed five-year plan, many of us having children entering or attending higher education, these changes significantly impact our ability to securely retire.

As my representative, I am asking you to uphold the integrity of the agreement and support the existing teachers' pension plan.

I appreciate your service and consideration of this request.

Respectfully,
Tammy Davis
2nd grade teacher
Colchester School District

To whom it may concern:

I have stayed away from much of the pension discussion because I have, or had, faith that a fair compromise would be reached with each side willing to make sacrifices for the greater good of Vermont and the employees that serve her. However, in reviewing the proposed pension plan issued on March 24th, that faith is gone and I am in complete shock and disbelief. This is in no way a compromise, nor is it fair. At best, this proposal is unacceptable. At worst, it's insulting to those that have dedicated their working lives to serve the State of Vermont.

I consider myself a fairly young state employee at age 31 with 7 years of service under my belt. I have a Bachelor of Science degree in biochemistry with a Master of Science in forensic science and graduated summa cum laude with multiple awards and recognition from both institutions. The reason I bring this up is not to brag, but to explain how I ended up here. Vermont is my home. I grew up here, moved back here after school, and would like to spend the rest of my life here. Although I could move to a different state and make 30% more than I do in VT for the same job, I choose to stay here. I could also seek employment in a private sector and make far more than what I make now. Instead, I choose to be a state employee. I surely don't choose to be a state employee for the glamour or pride or money. In fact, some people look down on my profession because I'm "just" a state worker. And up until this point, I know they are the crazy ones and that I made the right choice.

I chose to be a state employee for multiple reasons – because I believe in serving the people of the state of Vermont and because employment with the state is an investment in my future. I sacrifice the money I could be making now, because I know that after 30ish years of service with Vermont, I can retire and re-invest my time and energy into the community I love at a relatively young age. Our current pension plans incentivize young, intelligent people like me to spend our lives here, buy our homes here, and raise our families here. Recently, my girlfriend made the move to Vermont from NYC because of everything this state has to offer, even though she took a 40% pay cut to do so. However, if the latest pension proposal goes through unchanged, I can guarantee that you will have at least two energetic and driven young professionals leaving this state to pursue careers, pay taxes, buy houses, and raise a family elsewhere. This proposal is the antithesis of Governor Scott's goal of creating an affordable future for Vermont because no young person will ever invest in their future here.

As this conversation moves forward, I implore you to consider the impacts of your decision on the young, tenured employees that are affected by this. Overnight, the changes as written will effectively add 12, yes TWELVE, years of service for me to qualify for normal retirement. I am one example of over 7,000 employees and families that will be affected in a similar or likely even more drastic way since many of those impacted by this decision have been employed with the state for longer than 7 years. When we signed up to be an employee with this State, we agreed to a set of conditions that you are now revising due to your own mismanagement. Unfortunately, not a single one of the 7,000 employees affected by this can go back in time and invest more of our money into our 457b or other supplemental retirement. Nor can we go back and choose to not vest in such a broken system offered by someone that does not feel bound to fulfill their own contractual and ethical obligations. Had I known this information when I signed up, I would have spent my last 7 years quite differently. I currently have a retirement account, but I treat this as a SUPPLEMENTAL retirement and have done so for the last 7 years because I know I am eligible for a pension and I have never doubted my commitment to spending my entire career with the State of Vermont until now.

Imagine one day your bank emails you to tell you that they extended your 30-year home mortgage by 12 years because they have been investing the last 7 years of your mortgage payments into a failing business venture. As a result your payments will be going up by 2% and anything you've paid towards principle at this point doesn't count because the bank no longer has that money. Not only would be that be illegal, but it is immoral. How can someone possibly think it's ethically justifiable to rescind on a contractual agreement and effectively throw away up to 24 years of someone's life without notice? Although it was not intentional, the state has managed the pension fund similar to a Ponzi scheme. The "investor's", or employee's, money is taken and given to others/put to other use, but when the investors/employees come back to collect on their investment, they are told there is no money available and we actually need you to invest more. Some may view this pension fiasco as a mismanagement of funds, but viewed in a different light it should be considered fraud.

I would be remiss to deny that something needs to change. Even though this situation stems from prior state mismanagement and is no fault of ours, I acknowledge that we all must be willing to make sacrifices for this to work moving forward. I want to be VERY CLEAR that I say this as someone willing to make concessions and I believe we need to find ways to make state retirement more affordable for VT moving forward. I believe in creating options for someone to choose a 401k vs a pension plan and incentive people to choose the 401k option. I believe that increasing the AFC years to 7 is a good idea. In fact, I think this could be 10 years. After all, any tenured employee should reach a plateau in their CBA steps at a late stage in their career and this extension would reduce the impacts of those exploiting additional OT in the last few years of their career to boost their AFC. I'm ok with limiting the COLAs. Ultimately, I believe this is unfair, but again, I'll make the sacrifice, especially since I can plan in advance for this. I agree in increasing the years it takes to become vested. In my opinion, this could increase to 15 years to reduce the burden of people joining the state simply for the quick benefits before retirement. I could not agree more that we should limit some of our spending on those who join the state late in their career for the quick benefits. After all, those folks haven't dedicated themselves to the state. If you want to reduce the financial burden, limit those with less state service and reward those that have dedicated their entire working lives to the state.

The proposal as written does nothing to address the real problem. Unless a better proposal is offered, this issue should be tabled until the real economic impacts can be considered. Specifically, the impacts of no young people in the work force and the impacts of a generation of Vermonters that were promised a financial future but left underpaid with decades of financial regret about things they couldn't control. The only thing this proposal does well is ensure that no one under the age of 35 will ever work for the State of Vermont again.

In the end, I'd like you consider this. Any therapist, coach, teacher, or parent will tell you that you can't change the past, but your decisions now can change the future. **Regardless of what you think is best for Vermont moving forward, please consider your contractual and ethical obligations to fulfill the promises made to thousands of employees that have chosen to dedicate their entire working lives in service of the State of Vermont.**

Thank you and please feel free to reach out with any questions or concerns,

Jeff Dukette
802-224-6882
Jeffdukette@gmail.com
Northfield resident

Mike Ferrant

From: Christian, Matthew <Matthew.Christian@vermont.gov>
Sent: Friday, March 26, 2021 2:10 PM
To: Testimony
Subject: Pension

My story:

At the age of 18 I was offered a job for the Vermont Dept. of Correction. At the age of 18 I was promised after 30 years I would collect a pension and that I didn't have a choice to invest my money into the pension program. At 18 years old I took that job offer and took the promise of a pension. At 18 years old I was line staff inside one of the Vermont correctional facilities. Not an easy or glamorous position to take on however, the good outweighed the bad with the stability of state employment and the promise of a pension. Through the years I have been an active member of my union and I believe that state employees have done more than their fair share from pay cuts, to wage freezes, cut positions, cost increases in benefits, etc. Labor has always made concessions with the state when budgets were tight and adjustments had to be made. I'm currently working on my 15th year working for Vermont Dept. of Corrections and now it seems the state wants to opt out of their promise. I currently have 16 years to retire and with these potential changes I would have to work 34 more years to get less than initially promised, essentially have to work 49 years to collect a pension. I have made financial choices with the understanding of my promise of a pension. In closing I make the connection that if the state fails to hold up their promise I should be able to call my bank and tell them I no longer am interested in paying my mortgage but, plan to keep my house. Thank you for your time and I hope the state will stand and do their fair share and hold up to their promises.

Get [Outlook for iOS](#)

Mike Ferrant

From: james moore <james.bill.moore@gmail.com>
Sent: Friday, March 26, 2021 2:19 PM
To: Testimony
Subject: The Broken Promise of Pensions

To whom it may concern:

I am distrubed by the changes suggested in the latest plan by the House Operations Committee with respect to pensions (the very pensions teachers have paid into faithfully for years). The proposed plan puts all of the burden on teachers in the middle of a pandemic when teachers are already going above and beyond. While we wait for the announcement that we're going back to full time classes, Chittenden County (where I teach) had its first day of 100 positive Covid tests. The announcement of the pension plan is an insult to add to the injuries and stress of Coronatimes teaching, and truly shows how little value is placed on teachers.

A pension is a promise, and it helps ensure that qualified, passionate teachers work for Vermont students. Making these changes hurts teachers who are currently working and hurts prospects for teachers considering the profession. Currently working teachers who started here in their 20s may not have planned to teach for 40-45 years. Going back on what was expected at this point in the process is a slap in the face. Not only will teachers not want to work for a system that doesn't value them and forces them to work longer to get the pension that they've paid into, but with teachers needing to stay well past their expected retiring dates, new teaching jobs will dry up. Young teachers looking for positions will be out of luck in Vermont. Teaching methods may stagnate and the future of education in Vermont is held back. Education, like any profession, needs fresh voices and fresh perspectives. How can we ensure that needed newness if teachers must hold their positions longer to get their pensions? (Especially for a state worried about attracting younger people - this is *not* the way to do it).

There needs to be other ways to fulfill the state's pension responsibilities for teachers. We have kept up our end of the bargain - paying into a system we expect will be there for us. Now it is the state's turn. It is not worth putting more pressure on teachers who are at their breaking point in order to make sure the highest earners have a lower tax rate. What is important for our state, Vermont? How can we make it clear that education, which is currently being asked to shoulder quite a burden to get Vermont 'back to normal', is a priority?

I urge you to reconsider the harsh measures to fund this responsibility. Thank you for your time.

Sincerely,

James Moore
Humanities Teacher
Burlington School District

March 26, 2021

Dear Senators and Representatives,

I am writing today to express my strong opposition to the proposed changes to the state employee pensions. As a Colchester resident and teacher at Colchester High School for the past 15 years, I am dedicated to serving my community. These drastic changes to the pension system that would make me work longer, pay more, and receive less, have me considering whether I should remain a VT educator. I chose to go into education because I believe in the power and importance of public education. I believe all students can learn and education gives all students, regardless of their economic status or background, the opportunity to get ahead in life. As a high school math teacher and leader in our school and district, I certainly have a skill set I could have used in a career that would have earned me more money. However, one becomes a teacher for more than just money. I chose to serve, and along with that service I was promised other benefits such as health care and pension. I am troubled by the fact that the pension that has been promised to me, and I have been making my contributions towards, is now under attack.

My family is in a unique situation in that both my husband and I are educators. At this point, we should be about halfway through our careers. Adding 50% more time to our teaching careers to be eligible to access lower retirement benefits has the potential to drastically change our life plans. The proposal put out by the legislature makes us seriously consider what we should do at this important juncture. Many folks may be concerned the proposal will make the career less desirable for new teachers or require older, teachers to stay too long and become less effective. Those are important and valid concerns. There should also be concern for folks like myself, who are mid-way through their career seriously considering leaving due to these changes. The bottom line is all these scenarios are not good for our students.

I understand our pension system has been underfunded for years, but this is not the fault of the educators who have been paying their contributions each paycheck. To make educators work longer, pay more, and receive less than we were promised is unfair. For those of us who are already vested into the system, it also goes against the promise that was made to us when we began our careers. On top of this, to be claiming now that the pension is in crisis and must be fixed on the backs of the educators who have been working overtime during this pandemic is insulting. The state will be receiving billions of dollars in Covid-19 relief funding, it is not the time to transfer this burden onto hard working educators. I hope we can find different and more creative solutions that allow for both adequate funding and keep the promises already made to VT educators.

I ask you to please oppose any pension plan that slashes benefits, hikes prices, and makes teachers remain in the field too long. Our number one priority right now is to get through this pandemic. Teachers and other school employees are essential to getting students back in school full time so they can get the emotional and academic support they need to thrive. Having two of my own children in elementary school in Colchester, I know the importance of educators in our children's lives. The drastic changes being proposed make me seriously consider if I should remain a VT educator. This is a time we should be investing in educators and encouraging more to join the field, not taking from them, and making the profession less desirable.

Sincerely,

Tara Sharkey
Colchester High School, Teacher & Team Leader
Colchester Education Association, Co-President
Colchester Parent

Mike Ferrant

From: Carol McCleary <Carol.McCleary@colchestersd.org>
Sent: Friday, March 26, 2021 2:28 PM
To: Testimony
Subject: Pension Plan Changes

I am writing to voice my concern about the proposed changes to the Vermont State Teachers' Retirement Plan. I am disheartened by the lack of support for educators that the state has demonstrated by underfunding the teachers' pension plan for many years. And now once again teachers are being asked to carry the burden. We all have worked tirelessly for many years, providing for students at our own expense at times. Most recently we have carried the burden of going back to school during a pandemic because we want what is best for children and didn't approach it with a "we can't "attitude but instead with a "yes we can and we must "attitude. It is unfair and frankly immoral to renege on what is an agreement between parties. An agreement that we all have used to plan for our futures. Please show your respect and appreciation for the state's hard-working educators by upholding our pension.

Respectfully submitted, Carol McCleary

--

Carol McCleary
School Counselor, Union Memorial School
264-5951

(Pronouns: She/Her/Hers)

My name is Lisa Hanna. I live and teach in Worcester, VT. I have lived here and taught 5th and 6th grade at Doty Elementary for 9 years. None being more challenging and more demanding of me than this one. And amidst the challenges that have been layered on in teaching in a pandemic, we as teachers and state employees are now being faced with devastating changes to our pensions.

I was advised to share how the proposed changes in the pension plan would affect me personally, as opposed to sharing my outrage at the possible changes. It is hard to wrap my head around the ways. But I will start with a short list:

1. As a parent of two young children, it will hinder my ability to support and plan for my family's financial stability in the future. The changes proposed alter substantially the pension I had been promised and thus alter substantially my financial security in the future.
2. I have no choice but to seriously reconsider my own professional path, despite the fact that in a public school classroom is where I belong. I chose teaching in a public school for a reason and I believe in public service with all of my heart. But it is hard to know if the wage gap of public school teachers in Vermont is able to be bridged without promise of a pension and rising health care costs. (Source: AARP IN THE STATES - SNAPSHOT_ Vermont Public Employee Retirement System)
3. It will push other amazing teachers out of their jobs - out of Vermont schools - out of my small and incredible school. Leaving my own job harder as I lose capable, talented colleagues who must seek other ways to ensure financial security.
4. It will harm the future of all of Vermont's children because recruiting and retaining qualified, innovative and talented teachers will be much harder. This is going to be a banner year for teacher turnover - in a profession that is already riddled with it. How can we ask our young people to come into this profession if it is not financially sustainable?

Conversations have been swirling about how to bring young people and families to Vermont. How to bring BIPOC people to Vermont. How to decrease the wage gap for women in Vermont. How to address the disproportional ramifications of COVID on women. If we have any hope of really addressing any of these things, we have to ensure that our promises are kept to state employees and teachers. We have done our part. We have contributed. We must find another way to fund our pensions, other than putting it on our shoulders.

Thank you.

Lisa Hanna
lhanna397@gmail.com
802-223-2057

Mike Ferrant

From: JACQUELINE COTE <jdcote001@aol.com>
Sent: Friday, March 26, 2021 3:09 PM
To: Testimony
Subject: State Teachers Pension Fund

I was a special education teacher/consultant for my entire career and retired approximately 20 years ago. Even before my retirement, there were many years when we were exceedingly concerned about the lack of funding in our Vermont state pension fund. The state was raiding our pension system funds for spending in many areas not even involving education, and without repaying that fund. Indeed they continued to use our pension funds for other purposes, while promising the funds would be repaid to our system...eventually. Here it is 20 years later, and apparently the same bad practices have continued to crisis level.

So in addition to not keeping our pension fund completely funded as required, it also resulted in it's not having a chance to grow over these many years as it should have, in order to provide adequate pension benefits for teachers retiring in future years.

It seems that now the legislature wants to put this deficit in our state pension fund on the backs of teachers and state employees who are planning future retirement by either raising their contribution costs greatly, and/or or reducing the benefits they will receive upon retirement.

This is appalling, and shows continued lack of respect and support for those who educate our children – our future! Teachers have often not been shown the respect by their communities and government that their dedication and hard work deserve. With a masters degree and enough credits for a CAGS, I chose education as a career when I could have chosen something that would given me a much more respect, a greatly higher standing in society, salary, and benefits like profit-sharing etc. Like many others, however, I still chose educating children as a life's work of 30 years.

I hope the legislature will do the right thing in considering what to do at this point in time, to support the adequate future retirement benefit monies for these teachers and state employees we are fortunate to have in our state!

Jacqueline Cote
Essex, Vermont

Jackie

My name is Patrick Leene, and my wife, Samantha Mishkit, and I are teachers at Spaulding High School in Barre, Vermont. We are both proud UVM graduates who were fortunate enough to land jobs fresh out of college in 2012, and we have been happy with our careers ever since. Some days are obviously more challenging than others, and this last year dealing with the pandemic has brought on its own set of unique obstacles, but we have always been able to lean on each other and focus on the positives; we are healthy, employed, and just starting a family of our own.

The news of Wednesday's teacher pension proposal could not have been more disheartening. We are currently questioning our long held goals of living in Vermont as teachers for the entirety of our working lives. I grew up in Montpelier, and my wife in Rochester; most of our family is nearby, and we were hoping to raise our infant daughter of three months in this wonderful state. Unfortunately, we are now starting the process of looking into moving or leaving the teaching profession altogether. We do not see a future in teaching in Vermont if this proposal should come to pass, especially when there is no guarantee that things will not get even worse for us in the future, and we worry about the education our daughter will receive due to the rippling effects this proposal will cause.

For these reasons, I am begging you with all my heart to reconsider this proposal. Requiring teachers to work longer is not only detrimental to students and teachers, but also to the communities who will face increasing school budgets as older teachers higher up on the pay scale work even longer than they already do. Forcing teachers to pay even more into a system that we are not allowed to opt out of in order to receive less money by the time we retire ourselves will only serve to drive young educators like my wife and myself out of Vermont and the profession. Continuing to put funding issues on the backs of those who have been paying their fair share for decades while the state mismanages and underpays a promised pension is not a way to create trust, keep people in the state, or improve education for future generations.

I don't know if this proposal is simply a negotiating tactic or ploy, but reading through it caused my heart to sink and my anxiety to spike. And there seem to be so many other options that could help: Tap into the significant amount of one-time money given by the federal government to help fund our pension; raise taxes on the wealthiest Vermonters and large corporations or take advantage of the newly legalized marijuana market and dedicate that money to the pension; do something to show that you're on the side of teachers—who have paid everything asked of us—and not against us.

Please do not rush this proposal through the legislative process. Listen to those of us who will be greatly affected by these changes—middle class, hardworking teachers who you claim to support and appreciate—and make revisions that will allow people like my wife and I to maintain our careers, our happiness, and our lives in this state.

Thank you for your time,

Patrick Leene

26 March 2021

Respected Members of the House Committee on Government Operations:

I am soon to be 52 years old and have worked in state government almost my entire adult life: I was a contractor at age 19. I became a temporary employee at 22 and joined the classified service at 24.

I was still in my 20s when my father passed away at age 63. His father died at the same age. My mother was in poor health for many years. The family cared for her at home as long as we could but she needed to enter a nursing home at age 64.

Our pension is what I have relied on to give me a dignified transition from work without relying on "the public dole" should my health decline earlier than most of my peers. Like social security, I have paid into it all these years.

The alarming discussion around our pension prompted me to purchase air time and move my retirement up to May 1 of this year. Since some have been trying to portray the problem as "retirees living too long" maybe you'll get lucky and I'll die at 63, too.

For my part of the bargain, the State has been lucky to have me. Once a Secretary B and computer hobbyist (pay grade 11), I worked my way up to an Information Security Analyst II (pay grade 26) because I am a hard worker and a team player willing to do whatever is most needed and tackle new challenges.

I had many opportunities to "step up" because state IT wages have not kept up with the private sector. That makes it difficult to attract qualified external candidates. Sometimes managers have no choice but to train and promote from within. When we have been able to recruit, it is often a solid benefit and pension package that drew the candidate to accept the offer.

Being a state employee is not easy. Aside from low wages and understaffing, austerity budgets demand we "make the magic happen" with little more than ingenuity and a can-do attitude. It doesn't always go unnoticed. When unsolicited job offers come our way from vendors, former state employees, and headhunters, the pension has provided a good reason to stay.

The proposed pension changes only provide impetus to run. I have spoken to many talented young workers who can't see themselves sticking around if the pension changes.

Mike Ferrant

From: Umbach, Jason <Jason.Umbach@vermont.gov>
Sent: Friday, March 26, 2021 3:47 PM
To: Testimony
Cc: Jason Umbach
Subject: Pension

To whom it may concern

My name is Jason Umbach I'm 55 and have work for the agency of transportation since august 1997.

I have seen many winter snow storms long hours and horrible working conditions, I've work through hurricane, and of course COVID. I've planed my retirement on the benefits I was told I'd receive at employment, changes to the retirement for me would be devastating.

Currently I'm eligible for early retirement although I was planning on working a few more years.

My job is physical very demanding and stressful, I don't believe I will be able to continue in this position in my 60's.

Please don't make my life plans, goals and work I valued worthless.

Jason Umbach
16 Eddy street
Bennington Vermont 05201
Cell 802-430-9434

Get [Outlook for iOS](#)

Friday, March 26, 2021

To: House Committee on Government Operations
From: Karen Shea Denniston

Thank you for the opportunity. I'll speak in bullets.

One – You reduced time from comments from 3 minutes to 2 minutes claiming to want to hear from more people is suspect. If the Speaker wanted to hear from more people, more time would be added. It has happened before. One example – the 2014 Joint Legislative Committee on Child Protection. They travelled the state and listened to people all Summer and Fall to create a plan. If it matters, you make it happen.

Two – The governance structure proposal does nothing to address the primary root cause of underfunding for years by prior legislatures and administrations. There is nothing compelling funding at the proper level.

Three – The Plan Design places the entire burden of the underfunding on the shoulders of employees. You are misleading Vermonters to suggest that using \$150 million in one-time funding is generous given the amount of federal money coming into the state and the price of new programs you are currently creating.

Four – I have no time to detail the impacts of individual parts of this disastrous plan. However, I will share that I am one employee who started working at age 25. Your plan would have me work an additional 11 years and cost me over \$600,000 in lost benefits and continued contributions. 1 employee – over a half million dollars. Would you recover from that?

Five - My husband is also a state employee. Imagine the combined impact. And this isn't even factoring in the reduction we would experience from the reduced COLA, extended AFC, risk sharing. Would you want that for yourself? Your children?

Six - This proposal has already precipitated an unnecessary crisis for our workforce. The Governor's proposed budget funded the ADEC to give time to create a plan. Instead, you are doing this during a pandemic when you know state employees are all working more and working remotely and the statehouse isn't even open to us to show up to share our strong feelings. You are doing this from the comfort and safety of your homes under the veil of secrecy and darkness while we serve Vermonters.

Seven – You are misleading Vermonters when you suggest that the ADEC is not a worthy investment of general fund dollars. The ADEC is the best investment you could make with my tax dollars because for every dollar spent, investment returns come back to Vermont and are spent in Vermont.

Finally, eight - I have to believe that all this means you really you don't understand or appreciate the magnitude of the impact this will have on workforce, service quality, quality of life for Vermonters on keeping and attracting talent to our state. So slow down and first seek to truly understand. Give the issue the process it deserves. That is the least you could do.

Mike Ferrant

From: Laura King <laking@rnesu.org>
Sent: Friday, March 26, 2021 4:27 PM
To: Testimony
Subject: Pension Testimonial

Here is a link to my testimonial - [Here](#).

I also present it in the body of this email:

To Whom it may concern:

I am providing written testimony about the suggested changes to the Vermont State Teachers' pension as a means to addressing the unfunded liability of VSTRS.

To begin - my name is Laura King, and I am a resident of Brandon, Vermont. I have been a teacher in Vermont public schools since 1988, first in Addison Central SD and currently in Rutland Northeast SU. I also am a parent of two young adults who benefitted from the quality of Vermont's public schools. Finally, I am an education professional who happens to be a woman which relates to this testimonial.

I came from a working class background, observed both of my parents working very hard to ensure retirement security, and - since the beginning of my employment as a teacher - recognized the importance of having a pension benefit. I viewed as part of my salary - a collaboration of myself, my employer and my state to work in advance for my retirement. It is a promise, suggesting that my commitment to Vermont's children is highly valued by my state; that keeping vested, career teachers in our schools matters. Over the course of my career, I have heard state leaders reference the quality of our schools, something often referenced as an important attribute of our state, and I inferred that Vermont's teachers contributed to this level of quality. Now, given this pension proposal, I am forced to re-evaluate my thinking.

I've done the math. Under this new proposal, I would end up contributing more and receiving significantly less. As the major earner in my family, this would impact my security. This would mean less of my retirement dollars landing in this state. Ah - but I would have a new expiration date to consider, as do all of Vermont's more seasoned professionals: retire within five years! Simple - I could avoid all this if I retire within five years. But, do you realize how much institutional expertise will be lost over those five years? Currently this profession is struggling, with less people choosing to work in public education - and you want to incentivize the loss of our most knowledgeable professionals, as well as offer a weakened pension benefit? The educational quality of Vermont's children will most certainly suffer. And, ironically, if these seasoned teachers did choose to retire - their higher salary contributions to the pension fund would be gone as well. This certainly doesn't make sense.

As a Vermonter, I fully recognize the need to address the unfunded liabilities and free up funds for other state initiatives. However, I do not think Vermont's teachers and state employees should be held hostage for paying a liability they did not create. I do view this as an example of gender bias, given there is a high percentage of women in line for these pensions. I also view this plan as an attack on middle and working class, as I have not seen any other proposals moving forward from the house considering a tax on those in higher income tax brackets, such as S.59. No one wants to add a tax - but it seems perfectly acceptable to basically "tax" the salary and future pensions of teachers? This, then, is breaking a promise and taking money from a group of people who had absolutely no representation at the table.

The governor has supported fully funding the annual planned contribution to the pension fund; additional surplus monies are going toward the pension fund. How about funding TIME to this crisis - to ensure you aren't creating more crises in the future. I implore you to stop movement on this proposal; value Vermont's future capital - its children - by ensuring we aren't disrespecting the professionals teaching them. I have always been proud to say I teach in Vermont, and, as a parent, I believe my own children received a high quality education. Now, at a time when our focus should be on the educational and social emotional recovery of our students, energies are fractured by this issue; this regressive plan is like salt in a wound. After such a challenging year, with many public servants (including you), working under very different and stressful circumstances, please honor the work of your public employees, as well as the very nature of this state, to work through other challenges with head and heart. I would even borrow the governor's metaphor: rather than erode public trust and educational quality with a stormy, destructive plan - turn back the spigot. I believe we can do better. Go slow, seek full collaboration, and remember, there are people behind any numbers game. I'm one of them.

Sincerely,

Laura King
VT/National Board Certified Teacher
Brandon, Vermont

Laura King
Literacy Teacher Leader, RNESU

"Books are a school's oxygen, and the more we read and share words, the healthier our school communities are."

From - "Talking in the Hallway: 3 Questions Principals Should Be Asking" by Mitch Center in Edutopia, February 26, 2016.



NOTICE: This email message, including any attachments, is for the sole use and the intended recipient(s) regarding the business of the Rutland Northeast Supervisory Union, Barstow Unified Union, and Otter Valley Unified Union, and may contain confidential and privileged information protected by federal and state law. Any unauthorized review, use, disclosure, or distribution is prohibited. If you are not the intended recipient, please contact the sender by reply email and destroy all copies of the original message.

Good afternoon.

My name is Laura Brown, and I teach first grade at Flood Brook School. I've been teaching for 16 years, starting in Brooklyn, then moving here to Vt where I first taught at an Independent K-8 school, and now teach in a public school.

We, as teachers, did not create this crisis with the pension. This was created by legislators in the 90's who refused to listen to the expert actuaries working for them, and decided to underfund our pensions. That was not a choice that I made, nor is it a choice for any of my colleagues who are planning to retire based on the guidelines they were given upon being hired.

The cost of this pension plan was seen in the 90's, and our state legislators refused to do the right thing, for whatever reasons. Now teachers are being presented with a cruel plan, not just an unfair plan. We are the teachers who faced the challenges of teaching in a pandemic. Schools closed and it was not principals who made the teaching happen, it wasn't Superintendents who reached out to at-risk students each day. It was teachers and support staff who directly served our students. We learned Google Classroom, Seesaw, new approaches, we gathered as educators on Zoom and helped each other find the most effective ways to reach our children in Vt, some of whom lacked a lot of basics necessary to thrive in the middle of a pandemic.

We did it, and now you're presenting us with this. I'd like to say it's an option, but we were not given a choice back in the 90's to listen to the professionals and fund the pension plan. You were, or your colleagues were, and now you need to do the right thing and find a better way, a new approach, a new way of thinking outside of the box, just like we did last spring.

I have faith in your abilities to turn this around.

My greatest hope is that you will care as much about our Vt teachers as we care about our Vt children.

Mike Ferrant

From: Sherry Thibault <Sherry.Thibault@colchestersd.org>
Sent: Friday, March 26, 2021 5:26 PM
To: Testimony
Subject: Curt Taylor

Dear Representative Curt Taylor,

As a Vermont educator for over 30 years I am very disappointed in our state's lack of financial planning and responsibility towards the Vermont Teachers' Pension Plan.

These are unprecedented times, however, educators should not be responsible for the lack of funding and financial deficit that the state has created.

We have paid into a system with a mutual understanding and financial planning for our retirement. For those of us who are close to retirement, but beyond the proposed five-year plan, many of us having children entering or attending higher education, these changes significantly impact our ability to securely retire.

As my representative, I am asking you to uphold the integrity of the agreement and support the existing teachers' pension plan.

I appreciate your service and consideration of this request.

Respectfully,
Sherry Thibault

Colchester School District

Mike Ferrant

From: Sherry Thibault <Sherry.Thibault@colchestersd.org>
Sent: Friday, March 26, 2021 5:27 PM
To: Testimony
Subject: Seth

3/26/21

Dear Representative Seth Chase,

As a Vermont educator for over 30 years I am very disappointed in our state's lack of financial planning and responsibility towards the Vermont Teachers' Pension Plan.

These are unprecedented times, however, educators should not be responsible for the lack of funding and financial deficit that the state has created.

We have paid into a system with a mutual understanding and financial planning for our retirement. For those of us who are close to retirement, but beyond the proposed five-year plan, many of us having children entering or attending higher education, these changes significantly impact our ability to securely retire.

As my representative, I am asking you to uphold the integrity of the agreement and support the existing teachers' pension plan.

I appreciate your service and consideration of this request.

Respectfully,

Sherry Thibault

Colchester School District

Mike Ferrant

From: Robin Bebo-Long CT FAC <robin.bebo-long@trsuo.org>
Sent: Friday, March 26, 2021 5:43 PM
To: Testimony
Subject: Pension fund Testimony

My name is Robin Bebo-Long, currently, I teach for the Two Rivers SU and live in Rochester. I came to express the perspective of myself and some colleagues on this proposal and our relationships with the communities we serve.

I could talk about how this proposal will discourage people from entering what I consider an honorable profession.

I could wonder if you thought that making teachers teach until their 67 was a remedy to a teaching shortage.

I could talk about promises made to public servants that are routinely broken... after all our health benefits were greatly reduced recently

There are so many thoughts and paths I could go down in response to your proposal and thankfully many of the speakers have done that.

BUT..What we want to be made clear is that this is Another burden that is being passed on to towns. Another pull in the threads that bind communities.

A thread that includes many years of telling towns to level fund their budgets.

A thread that includes dismantling small schools in the name of efficiency.

Now you're including the cost of this proposal.

Now their highest-paid teachers will have no choice but to stay?

Now they will be stuck covering the cost of much older teachers who are more likely to develop health conditions that may result in extended periods of sick leave?

- Now they will have to pay the cost of not having the benefit of retired teachers willing to cover for younger teachers who are starting their families.

Now a state that already has one of the oldest teaching workforces in the country will lose the innovation and fresh ideas that come with younger teachers, and the strengths that come with cross-generational partnerships.

Now you've empowered that guy, you know we all have them in our town meetings, that yells and complains about teachers' salaries.

Beth Pearce said that the changes would be painful. It doesn't seem like the state is not taking much responsibility for that pain (particularly when you consider the money that has just come in). The pain for teachers is to pay more, work longer and get less. The pain for towns is higher budgets.

How much more can the towns and teachers take before they unravel?

Be creative..find another source of funds to fix this mess (

26 March 2021

Good evening,

I am writing in concern of the proposed plan to negatively affect Vermont teachers' pensions.

I moved to Vermont from Massachusetts in 2006 as a first year student at the University of Vermont. I began my college experience declared as a political science major. After a semester in the program, I realized that this was not the path for me. By the middle of my second semester I successfully transferred into the College of Education and Social Services, declaring a major in Secondary Education with a concentration in History. I was elated. It was not long into my second year at UVM that I knew I made the right decision to change majors.

In the spring of 2010--my final year at UVM--I completed my teaching practicum at Burlington High School. This experience reaffirmed that I *had* in fact made the best decision to switch career paths. Following graduation I moved back to Massachusetts to be with my family. While I was certified to teach in Vermont, I did not intend on living here. During my first year post-college, I actively sought teaching opportunities within the Boston area. I couldn't land anything. Everyone was looking for people with at least some experience in the classroom. Besides my practicum, I didn't have any. However, my luck changed in the spring of 2011. A teaching position in the History/Social Studies Department at BHS opened up. I applied, and well, I think you can guess what happened next.

So, here I am, 10 years later still teaching at BHS. It is no secret that Burlington has survived some trying times in the last decade or so: multiple budget cuts, a teacher scandal, the strike, immense leadership turnover, COVID and PCBs. In the midst of this all, my career has also been reduced in force three times with no guarantee that I would have a job the following year. And yet, I have remained faithful to the school, its community and the teaching profession.

Burlington High School became my new home. Moving back to Vermont in 2011 was the best decision for me, albeit this may not have been obvious to me at the time. This also influenced my partner, who was born and raised in the Northeast Kingdom to a French Canadian dairy farm family, to move back to his home state in 2013. It is here in Vermont where he began his career as a Physician Assistant. He was ecstatic to move back home for the opportunity to give back to his state as a medical provider. He was also happy to see my growing love for this state and the opportunities that lied ahead for us.

The changes proposed with this bill are now forcing me to question whether or not I made the right decision in 2007 to change my career path.

The changes proposed with this bill are now forcing me to question whether or not my partner and I will continue to raise our children in Vermont.

The changes proposed with this bill are forcing me to question whether or not my community will fight for what is right by their teachers, just like we [teachers] have fought for the best interests of our students.

The changes proposed with this bill are forcing me to question if our legislators--trusted elected officials--really understand the grave implications that this bill will have on the future success of Vermont.

Legislators, I implore you to reconsider the proposed changes within this bill. At the end of the day, a pension is a promise. Keeping promises is the Vermont way. Breaking them is not.

Thank you for your time and care, and for your leadership during this challenging time.

Sincerely,
Francesca Dupuis

Mike Ferrant

From: Barbara Aitken <barbara.aitken@mmuusd.org>
Sent: Friday, March 26, 2021 6:16 PM
To: Testimony
Subject: Vermont pensions

I am stunned that the state is thinking of shirking their responsibilities to teachers and other state employees. Teachers have, in good faith, been putting in their share and should not be penalized and forced to pay for the mess that our state has made.

Teachers don't make a lot of money compared to other professionals who have to continue with training and pay for licenses, etc. and in Vermont it was understood that part of the salary was the benefits. Unions have bargained lower pay increases because teachers wanted to keep the benefit and pension plans.

Now the state wants to change the rules in the middle of the game. I know the plan is broken but teachers and other state employees should not be the ones to fix it. You can change the plan going forward for new hires but to go back on promised pensions is not morally responsible.

I recently saw a website asking if VT teachers would recommend a student to enter the profession here in Vermont and the answer was a resounding NO! That is a sad state of affairs when most teachers would not encourage young people to enter the profession that most of us love. (if you don't love teaching, you don't stick with it) Vermont has a strong, inclusive, pretty successful public education system and I fear for the education of future Vermonters. If we lose all the good teachers, young people won't want to live here because our schools will be failing and people want to live and raise children in good schools.

If the state doesn't follow through on what it promised to its employees, it is failing to do its job. Shame on any legislators that think otherwise. Fix the system and change it for new hires. I think it will be difficult to find qualified people when they can go to a neighboring state and get better pay, benefits and pensions. I hope the legislature thinks long and hard about who should be shouldering the responsibility to fix this. It should not be the teachers who have held up their side of the agreement.

Respectfully,
Barbara Aitken

--

This e-mail may contain information protected under the Family Educational Rights and Privacy Act (FERPA). If this e-mail contains student information and you are not entitled to access such information under FERPA, please notify the sender. Federal regulations require that you destroy this e-mail without reviewing it and you may not forward it to anyone.

Mike Ferrant

From: Cristina Willey <cawilley70@gmail.com>
Sent: Friday, March 26, 2021 6:46 PM
To: Testimony; Cristina Willey
Subject: Pension

Good evening,

I wanted to testify in person but since the slots are filled up, I am writing instead.

The whole pension issue is a total uncalled for mess. When I started working for the state over 17 years ago, I started for the stability, the opportunity for advancement, the hours, the set work schedule, the wages and the retirement/pension.

The uncertainty of our retirement/pension plans now are beyond scary. I turned 50 on my last birthday. I have given 110% to my job. I take great pride in my work and the services I provide to the public.

I believe the promises that were made when I was hired should be honored. Not just the promises to me but to all state employees.

We shouldn't have to pay and suffer because of ill management of funds.

I really hope a fair and reasonable solution can be agreed upon.

This has been a very stressful situation to have to deal with and think about, especially with everything else going on in the state right now.

Thank you for your time.

Cristina Burt

Department of Motor Vehicles

Mike Ferrant

From: Viens, Susan <Susan.Viens@vermont.gov>
Sent: Friday, March 26, 2021 6:42 PM
To: Testimony
Subject: Pension testimony for House Gov Operations

Hi. I am very concerned about how the proposed pension changes will effect state employees, teachers, and also the ramifications for growing Vermont.

A little about me – I have 39.8 years in the retirement system. I am more fortunate than many because I am able to retire. I have more than enough time, and my age and years of service both qualify me to retire with full benefits now. I could even qualify for the rule of 102

☹ However, the reality is that I didn't want retire to at this point. While I did not see myself still working until 67, I was hoping for 65. Part of the reason I did not want to retire at this point is because at almost 63 the social security amount I will get at 63 is significantly less than what it would be at 65. I do understand that people within 5 years would be held harmless, my problem is that my understanding is that under the proposal that I (or anyone within the 5 years) would be required to retire by the time that 5 years is up or go into whatever new plan you come up with, and my 5 years is already up. Thus I will retire in May. But not because I want to.....

My other concern is that passing a proposal like this will realistically push more people (especially younger people) to move out of state, and will be a discouragement to come here to work. This is counter to what Governor Scott says he wants to see happen. Thus perhaps he might be willing to tax the ones that make over \$500,000 a bit more to secure a pension that attracts people here. Certainly it is worth asking for that. Given that our pension is already at the bottom of what most states pay for their retired state employees, do you really think these changes will be helpful for recruitment and retention of staff?

I am discouraged all the way around on this. Frankly after the year we've all had with the pandemic, the changes that state employees and teachers had to make to keep the state running, we should all be given a bonus, not have our pension changed for the worse.

Susan H. Viens
Reach Up Supervisor
802-476-1624
802-505-1153

Mike Ferrant

From: Jennifer Deuso <jenniferdeuso@yahoo.com>
Sent: Friday, March 26, 2021 7:37 PM
To: Testimony
Subject: Please support Vermont Teachers

Good Evening Legislators,

I am absolutely devastated by the proposed plan. I am completely overwhelmed by the thought of having to work thirty more years when I am already fifteen years into my career. I did not enter this career anticipating that I would have to work for at least 45 years! Hardworking teachers are paying the price of deliberate underfunding that for many of us occurred while we were students. I devote everything to my students and I am on the brink of being abandoned by my state.

This is an overwhelming burden that will have long lasting repercussions. Under this plan, districts will be forced to pay teachers for many unexpected years at their higher earning levels because teachers will be forced to remain in their careers for over a decade longer than anticipated or leave the profession they are devoted to. Many young professionals will avoid the field of education due to this betrayal of teachers.

Please do not make today's teacher pay for mistakes made decades earlier!

Sincerely,
Jennifer Deuso

Jennifer Deuso
jenniferdeuso@yahoo.com
[961 Romar Road](#)
[East Fairfield , Vermont 05448](#)

Mike Ferrant

From: Thomas Mozzer <tmozzerjr@gmail.com>
Sent: Friday, March 26, 2021 7:54 PM
To: Testimony
Subject: Written testimony/ state employee/ failure to honor obligations

Committee members,

I'm writing to you with fairly grave concerns with Treasurer Pearce's recent proposal and recommendations and your "framework" to alter our current pension program for state employees. I've been a state employee for over 21 years, dedicated and loyal to the citizens of Vermont and its visitors. I entered state service in 2000 after completing a teaching program in Connecticut. I also resigned my commission in the Army once I began with the state to focus on my full-time career, my family and my new life here in Vermont. My wife and I benefited by being able to raise our children in one of the safest states in the nation. Salaries are lower than other New England neighbors, but the rewards seem to have been worth it. Now that I appear to be within 4 years of earning the retirement and pension I've contributed to for 21 years, I find myself having to defend my benefits from the state treasurer and possibly the legislature.

In the years that followed the recession of 2008, state employees were asked to pay additional contributions of .35% of earnings to ensure the solvency of our pension program (I currently contribute 8.53% to my plan). I did so without question and felt I was contributing to provide stability to the system. Now, approximately 11 years later, I find myself being asked and eventually forced to consider losing thousands of dollars each year of retirement, making increased contributions and losing a cost of living increase. All a reduction of benefits that had been promised to employees upon being hired into state government.

Organizational leadership provides security to employees, ensures employees feel valued and ultimately feel supported. The organization (Vermont) benefits from this support by increasing productivity, employee satisfaction and motivation. A loyal organization will create a loyal workforce. I can say these last few months, I feel there is a lack of loyalty from the state, resulting in employees like myself, not feeling supported or valued. I'm not alone with my assessment of what we are seeing with these proposed changes. I understand these discussions are in their infancy, but also understand the legislature plans on moving forward in 2021.

I can accurately say if these changes occur, many of my fellow counterparts will consider looking at early retirement, retiring before they had originally planned or consider leaving the state of Vermont once they retire. Unfortunately, I'll likely be one of those families.

Retention of current employees, recruitment of new employees and relocation of retiring employees will all be significant and negative consequences of changes to the pension system in Vermont.

I'd love to discuss this more if you have questions or concerns.

In any event, I would ask you to not support changes to the current system and find other revenue sources to provide earned benefits.

Respectfully,

Thomas Mozzer

320 N Shrewsbury Road

Clarendon, VT

Clarendon resident

State employee

802-342-0218

Mike Ferrant

From: Wendy Ducey <wendyducey120@gmail.com>
Sent: Friday, March 26, 2021 7:58 PM
To: Testimony
Subject: Fwd: Pensions

I'd like to submit my testimony for the committee to review. Please pay attention specifically to my cost saving options. Please see below for what I've sent to Rep Hooper and all 5 of my Washington county legislators.

Thanks for your time!

Wendy Ducey

From: Wendy Ducey <wendyducey120@gmail.com>
Date: March 25, 2021 at 3:14:57 PM EDT
To: Peter Anthony <PAnthony@leg.state.vt.us>, aperchlik@leg.state.vt.us, Tommy Walz <twalz@leg.state.vt.us>, apollina@leg.state.vt.us, acumming@leg.state.vt.us
Subject: Pensions

Good afternoon Rep. Anthony and other Washington County legislators,

Thanks in advance for taking the time to read my email. A little about me: My name is Wendy Ducey. I'm married to my husband and we live in Barre with our two pups. I've worked at AOT for 13.5 years. I currently work in the Highway Division. I LOVE my job, I respect my coworkers and love the state I now call home. I grew up in Maine and came to Vermont for college and enjoyed it so much I decided to stay after graduation. I started right out of college working for the state and have learned so much. I've taken positions throughout my career because I love what I do and I truly believe the work I do as well as my coworkers do matters. I take my responsibility of being a steward of the taxpayers money very seriously. I, along with my fellow co-workers have done our part. We have taken pay cuts, had steps frozen, been continually asked to do more with less and have always met the challenges presented to us, often by being creative.

Although it is not our responsibility to figure out a solution, I've thought of several things that could help with this problem. 1) Teleworking permanently can save the state a lot of money because state buildings can be sold and leases won't need to be filled across the board. Different agencies for folks who do need to work in the office can be combined to occupy the same space. This would not only save money because of less building expenses but also because there will be less maintenance, office supplies/furniture, cleaning services, the list goes on. This would also increase employee morale and productivity. 2) Creating a new revenue source or temporarily reallocating a little from here and a little from there is an option. 3) Take a look at other wastes, cutting red tape and out dated processes can help with this. The old school saying of a little here, a little there adds up to a lot and goes a long way actually applies here quite well. 4) While choosing to postpone funding certain projects or temporarily cutting programs might not sound like a fun option it might be the hard decision that has to be made to honor what was promised to state employees when we were hired.

The committee needs to look at the ages of when folks started. This has a huge impact

to current employees. For myself I started when I was 24, now at 38 on the old plan F, if the age eligibility raises to 67 I will now have to work for 43 years instead of 30. I'll have to pay more, work longer and get less. This paired with all of the other ever increasing tax liability in the state makes me frustrated and I have to seriously now weigh my options about what is really best for me and my family. And regardless of the outcome of the final proposal whatever that might be, I truly hope that the committee realizes the damage of even proposing these initial things has caused.

There are so many people that have recently retired or have put in paperwork to retire soon because they say they can't trust their lawmakers and question whether their pension will even be there anymore. Many I've talked with have done so because of "not knowing what will happen" and what was promised may not come to fruition. And for others who aren't eligible what I've heard is what more can we take? And that's what I'm asking, how can we keep giving and giving with decreasing the much earned reward?

Making employees pay more to fund a plan that was knowingly underfunded is not our responsibility. While I realize what was presented yesterday was a proposal and not a final decision I think it's important to look at the whole picture. I ask that you and others in the committee start being creative.

Thanks for your time,
Wendy Ducey

Mike Ferrant

From: Teresa Piette <tpiette27@gmail.com>
Sent: Friday, March 26, 2021 8:11 PM
To: Testimony
Subject: Pension concerns and clarification

Hello. My name is Teresa Piette, and I'm a language arts teacher at North Country Union Jr. High in Derby, VT in my 32nd year of teaching in VT. I began teaching in Vermont fresh out of college in 1989 after graduating from St. Michael's College in Colchester. I met my husband, a fellow educator, here and raised three daughters in the Northeast Kingdom. I watched with concern as the state underfunded the pension system through the 1990's, "kicking the can down the road" as was mentioned by someone on Friday's hearing. This past year, my husband, an educator of 32 years, retired from Glover Community School and began drawing benefits. He had planned to teach a few more years until our youngest daughter had graduated UVM, but the rigors of teaching in the pandemic and the ever increasing expectations put on teachers drove him into an "early" retirement at 60 years old.

I heard and agree with many fellow educators tonight who expressed frustration with the legislature for proposing a "fix" to the pension system that unduly burdens teachers for meeting their obligations to the state and lets the state off the hook for their broken promises. After hearing from Patrick Leene in particular, a former colleague of mine, I fear for the education system in our small state. If this "fix" passes, we will experience a "brain drain" from our schools as well as from the state that is like no other we've experienced in my 35 years in Vermont. Patrick and his wife are native Vermonters who expressed what many young teachers did Friday night. They can't sustain themselves financially under these conditions and will leave the teaching profession for other avenues of work or leave the state and teach elsewhere.

What worries me more is that in a discussion with my legislator, Sen. Russ Ingalls (R), over H.81, he said he couldn't in good faith vote for this legislation dealing with how the healthcare for educators was negotiated when the pension system was in dire need of attention. He went on to state that this system was woefully underfunded with "blame on both sides." My husband and I met every penny of our obligation to the state and endured several "fixes" to the system that changed the end game for us. I resent the insinuation that we are to blame for this mess. Mr. Ingalls goes on to state that the teachers paid \$5 million less into the system during this past 5 year period than in the previous 5 years. Did he stop to think that if this was so, and all individual teachers are still paying 5% or more into the system, this might be because there are fewer teachers in Vermont — the result of Act 46 and other austerity measures like level-funding our school budgets year after year? Just look at the unfilled positions on SchoolSpring or ask a superintendent about how many unfilled positions they currently have across their supervisory unions. New teachers are not taking jobs in the state or are leaving through attrition at high rates across the state.

I believe that I may fall into the "within 5 years of retirement" category, but this doesn't alleviate my fears for the state and the state of education in Vermont. As Sen. Ingalls demonstrated, teachers are not well respected among some legislators in Vermont and in our communities. This has to change if you want to continue to draw the best talent to our schools. If you want to preserve the state of education and the state's economy, your best bet is to invest in education and the quality educators necessary to sustaining this economy and not just in a "bond rating". Please, reconsider how you will fix this broken system, and don't do it on the backs of your teachers or the state's education system. Thank you for your time.

Sincerely,

Teresa Piette